

*CITY OF TEMPE*

# Biennial Budget

For the Fiscal years beginning July 1, 2001 through June 30, 2003



***Biennial Budget  
FY 2001-03***

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*Will Manley*  
City Manager

*Patrick M. Flynn*  
Deputy City Manager

*Randy Gross*  
Deputy City Manager

*Rich Oesterle*  
Financial Services Manager

*Cecilia Velasco-Robles*  
Deputy Financial Services Manager

*Debbie Bair*  
Budget and Research Analyst

*Michelle Caruso*  
Budget and Research Analyst

*Travis Clark*  
Budget and Research Analyst

*Anita Erspamer*  
Executive Assistant

*Melanie Housh*  
Budget Intern



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

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City of Tempe,

Arizona

**"An Outstanding Communications Device"**

For the Biennium Beginning

July 1, 1999

  
President

  
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Tempe for its annual budget for the fiscal year beginning July 1, 1999.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



## Introduction

Budget Award .....	iii
City of Tempe Mission Statement .....	iv
City Organization Chart .....	v
Budget Message .....	1

## Budget Summaries

Budget Summaries Contents .....	11
Budget Policies .....	12
Budget Process Flowchart .....	17
Budget Process Summary .....	18
Total Financial Program .....	21
Components of Total Financial Program .....	22
Financial Program Summary .....	24
Fund Summary .....	25
General Governmental and Enterprise Funds: Ten Year Fund Balance Trends .....	26
Citywide Overview: Operating Budget, Debt Service, Revenues and Staffing .....	28
Operating Budget Overview .....	29
Capital Budget	
Capital Budget Overview .....	45
CIP Project Listing .....	48
CIP Summary .....	60
CIP Fund Balances .....	61
Relationship Between Operating and Capital Budgets .....	62

## Program Budget

Program Budget at a Glance .....	65
Per Capita Operating Expenditures by Program .....	66
Program by Fund Summary .....	67
Program by Department Summary .....	68

## Debt Service

Bonded Debt Limits Summary .....	69
Debt Policy .....	70
Debt Service Schedule .....	71

## Capital Budget, Debt Service, Assessed Valuation Property Tax Rate:

Ten Year Historical Trends .....	74
Property Taxes .....	75
Impact of Total Budget on Citizens .....	76
Personnel Summary: Ten Year History .....	77

## Comprehensive Financial Plan

Comprehensive Financial Plan Contents .....	79
Comprehensive Financial Plan Overview .....	80
Forecast Methodology .....	83
Forecast Assumptions .....	84
Economic Outlook .....	88
General Fund .....	90
Transit Fund .....	92
Transportation Funds .....	94
Enterprise Funds .....	96
Rio Salado and Community Facilities District Funds .....	102
Financial Action Plan .....	104

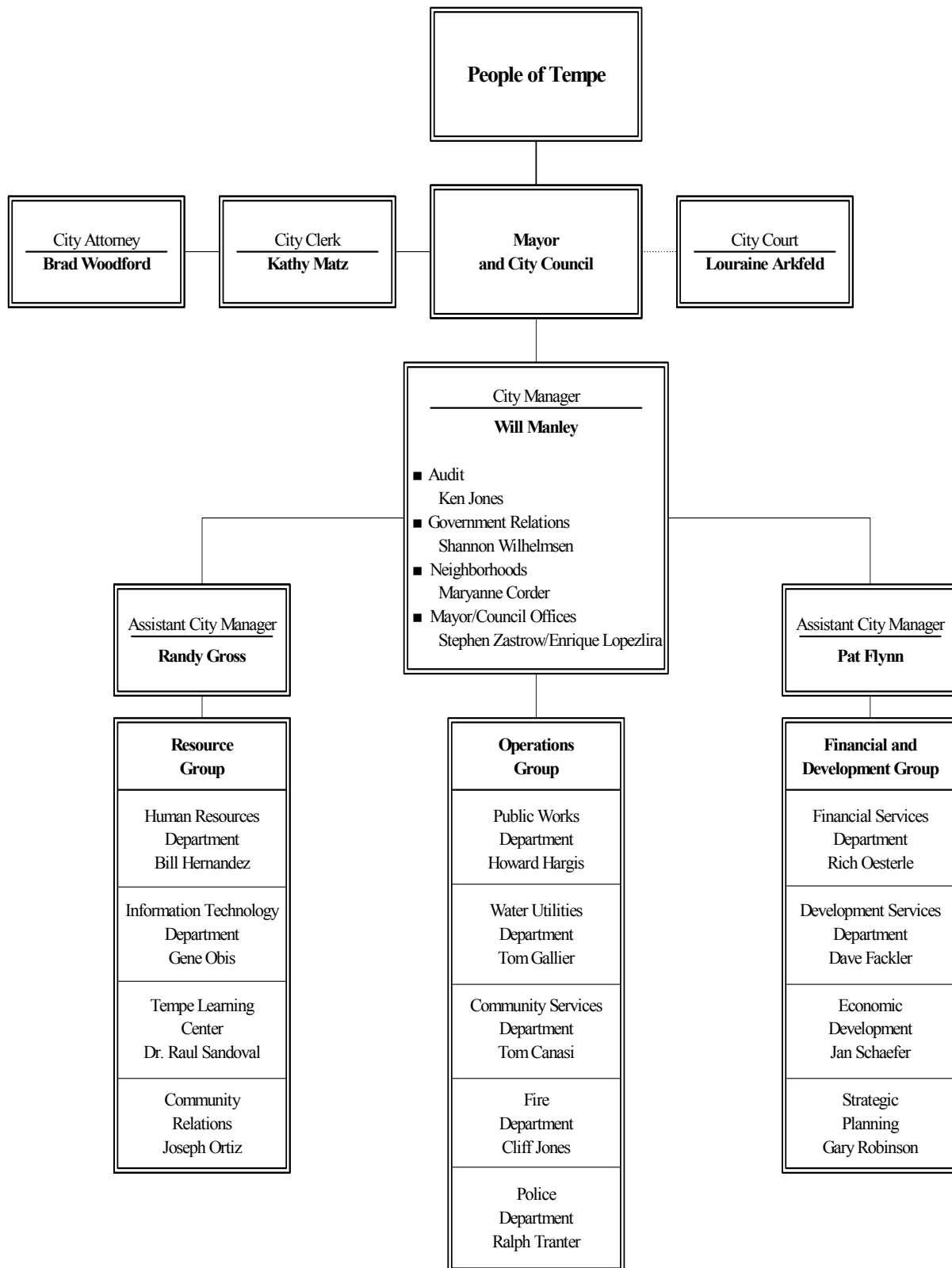
## Revenue Information

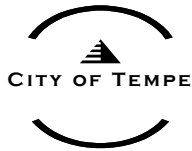
Revenue Information Contents .....	107
Total Revenues .....	108
Components of Total Revenues .....	109



Total Revenue by Source.....	111
Comparative Revenue by Source.....	112
General Governmental Revenues: Ten Year Historical Trends.....	115
Special Revenues: Ten Year Historical Trends .....	126
Enterprise Revenues: Ten Year Historical Trends.....	131
<b>Performance Budget</b>	
Performance Budget Contents .....	135
Issues Management/Strategic Budgeting.....	136
Strategic Issues: Goals and Strategy/Action Plan .....	137
Per Capita Performance Budget.....	145
Performance Budget Summary .....	146
Performance Benchmarking .....	147
Departments	
Mayor and Council .....	148
City Manager .....	150
Internal Audit .....	152
Neighborhood Program .....	153
Government Relations.....	155
Economic Development.....	156
Community Relations .....	158
Tempe Learning Center .....	160
Strategic Planning.....	162
City Clerk.....	164
City Court .....	166
Human Resources .....	168
City Attorney .....	170
Financial Services.....	172
Information Technology .....	176
Development Services .....	178
Police .....	188
Fire.....	198
Community Services.....	206
Public Works .....	216
Water Utilities.....	234
<b>Schedules and Summaries</b>	
Schedules and Summaries Contents .....	241
Budget Resolution .....	242
Property Tax Ordinance.....	243
Budget Schedules.....	245
Budget Basis, Budgetary Units, and Changes to Budget.....	251
Financial Structure and Organization .....	253
Annexation Progress.....	255
Tempe Community Profile .....	256
Personnel Summary .....	260
Personnel Schedules .....	261
Glossary of Terms.....	294
Index .....	301
OMB Staff .....	305

# City Organization Chart





## Budget Message

June 20, 2001

To the Honorable Mayor and City Council:

Transmitted herein is the City's FY 2001-03 biennial operating budget, the second two year budget for the City of Tempe. The biennial budget has encouraged a longer term view of financial planning and shifted the emphasis from the process itself to a more careful examination of our resource allocation choices. As an additional benefit, moving to a budget process that occurs every other year rather than each year has allowed City departments greater time to focus on service delivery and program improvements.

### **Budget in Brief**

The adopted operating budget for FY 2001-02 (Year 1) totals \$234.0 million, an \$11.8 million or 5.3% increase over FY 2000-01. The operating budget increases in FY 2002-03 (Year 2) by \$6.5 million or 2.8% to \$240.5 million.

Several factors contribute to the changes in the budget from a year ago, as highlighted in the following:

- ♦ **Supplemental Funding.** Over the course of this two-year budget, an additional \$9.0 million is included across all funds for program expansions and new initiatives to address the City's strategic goals and priorities. Of this new funding, \$1.7 million will address needs in our public safety and criminal justice programs, as well as community services, reflecting the City's continuing commitment to youth and social service programs.
- ♦ **Inflation and related costs.** Inflation, projected at 2.0-2.5%, coupled with projected population growth of 1.0% annually over the biennium, contribute to budget increases.

**Police Staffing.** In Year 1 of the biennium, 12 new police positions were approved for public safety. These positions were primarily for investigations and enhanced neighborhood patrol; additionally, costs associated with 26 previously grant funded police positions were absorbed in the operating budget.



<b>Biennial Budget Total Financial Program</b>		
	FY 2001-02	FY 2002-03
<b>Operating Budget</b>	<b>\$234,015,370</b>	<b>\$240,461,459</b>
Percent Change	5.3%	2.8%
<b>Capital Improvements</b>	<b>\$85,541,430</b>	<b>\$130,638,313</b>
Percent Change	26.9%	52.7%
<b>Total Financial Program</b>	<b>\$319,556,800</b>	<b>\$371,099,772</b>
Percent Change	10.4%	16.1%

<b>Biennial Operating Budget by Fund</b>		
	FY 2001-02	FY 2002-03
General Fund	\$125,427,279	\$131,658,405
Special Revenue Funds		
Transportation	8,135,751	8,447,753
Transit	25,044,850	24,606,654
Rio Salado	1,353,091	1,434,267
Performing Arts	317,048	341,472
CDBG/Section 8	7,633,824	7,705,907
Debt Service	11,238,729	11,518,082
Enterprise Fund		
Water/Wastewater	42,021,240	41,333,191
Sanitation	10,515,860	10,788,733
Golf	2,327,698	2,626,995
<b>Total Operating Budget</b>	<b>\$234,015,370</b>	<b>\$240,461,459</b>

### **Budget Highlights**

#### **Total Financial Program**

The following tables depict the adopted biennial total financial program (operating and capital improvements budgets) and the operating budget detailed by fund. The size of our total financial program increases over the biennium due to the light rail component in transit and expansion of the water/wastewater program budgeted within the Capital Improvements Program (CIP).

#### **Personnel**

Total proposed full-time positions equal 1,727 for FY 2001-02 and 1,734 for FY 2002-03. This represents a net increase of 57 full time supplemental positions in Year 1 and 5 positions in Year 2, and 11 full time positions associated with CIP operating impacts during the biennial budget. Additionally, in Year 1, costs associated with 26 previously grant funded police positions were absorbed in the operating budget.

#### **Pay-As-You-Go**

Total “pay-as-you-go” financing within the Capital Improvements Program include \$17.6 million (FY 2001-02) and \$18.7 million (FY 2002-03) million from operating revenues, reflecting a \$12.5 million decrease and \$1.1 million increase over each of the preceding year’s “pay-as-you-go” financing.

#### **Capital Improvements**

The Total Capital Improvements Program is \$85.5 (FY 2001-02) and \$130.6 (FY 2002-03) million, up \$18.1 and \$45.1 million from each of the previous year’s programs. Highlights of the biennial capital program include:

#### **FY 2001-02**

- Initial funding for light rail financing (\$23.3 million-federal share)
- Funding for Water and Wastewater projects (\$19.8 million) including funding for new production wells (\$1.7 million), continued funding for 91<sup>st</sup> Avenue expansion (\$10.0 million), and funding for Kyrene wastewater plant and Southern Avenue Interceptor enhancements (\$4.4 million)
- Initial funding for the AZ Cardinals Stadium (\$13.7 million)
- Continued funding for Transportation Improvements (\$5.3 million)
- Funding for Recreation Improvements (\$4.1 million) including continued funding for soccer field construction (\$1.0 million), initial funding for North Tempe Multigenerational Center (\$1.0 million), and continued funding for park and recreational improvements (\$2.1 million)
- Continued funding for Rio Salado Development (\$3.6 million)
- Continued funding for a downtown fire station (\$1.3 million)
- Initial funding (land purchase) for a Criminal Justice Center (\$0.9 million)





## FY 2002-03

- Continued public safety automation efficiencies and radio replacement conversion (\$3.0 million)
- Continued funding for the North Tempe Multigenerational Center (\$3.7 million)
- Continued funding for park and recreational improvements (\$2.6 million)
- Continued funding for Transportation Improvements (\$6.0 million)
- Funding for Transit Light Rail (\$53.7 million including \$23.7 million of federally shared money)
- Continued funding for Rio Salado Development (\$2.1 million)
- Funding for water wastewater projects (\$43.8 million) including funding for water plant expansion and process improvements (\$13.9 million), continued funding for 91<sup>st</sup> Avenue wastewater expansion and transmission (\$19.2 million) and funding for Kyrene wastewater plant expansion and Southern Avenue Interceptor rehab (\$9.5 million)

As the graphs below depict, the operating budget represents 73% of the FY 2001-02 total financial program, decreasing to 65% in FY 2002-03 as the size of our CIP budget falls. Department budgets make up just over 80% of the citywide operating budget.

### Revenue Considerations

The City will modify revenue as needed in several areas for FY 2001-02.

### **Water/Wastewater**

For FY 2001-02, water and sewer rates will be reviewed to ensure full cost recovery and to maintain adequate reserves for capital needs.

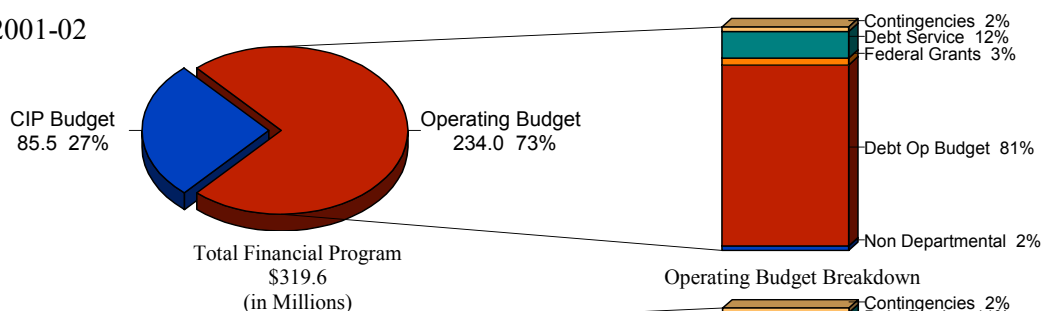
### **Sanitation Fees**

Upon finalizing the FY 2001-02 financial report in the Fall of 2001, sanitation fees will be reviewed to determine if a fee adjustment is required. The last sanitation fee adjustment of 3% was implemented in January 1998.

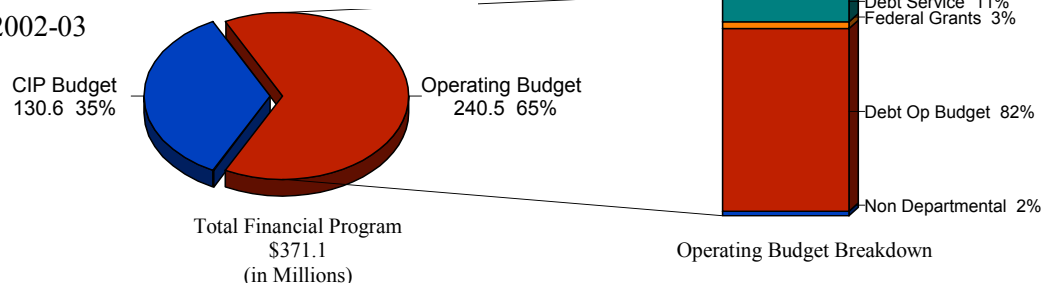
### **Development Fees**

For FY 2001-02, Water and Sewer development fees will be reviewed to ensure new development pays its fair share of infrastructure development.

## FY 2001-02



## FY 2002-03



### Golf Fees

Golf rate reviews will be conducted annually to ensure that the fund remains self sufficient. Fees for non-residents changed in June 1999, increasing by \$1 per nine holes for the summer season.

### Other Considerations

Aside from the predicted downturn in the economy over the next 2-3 years, our state-share of locally distributed state income, sales and vehicle license tax revenues are projected to decline as the 2000 Census shows Tempe's expected declining percentage of statewide population.

Additionally, we will continue to review charges for fees for service on an ongoing basis and will bring them to Council, as necessary.

### Financial Assessment

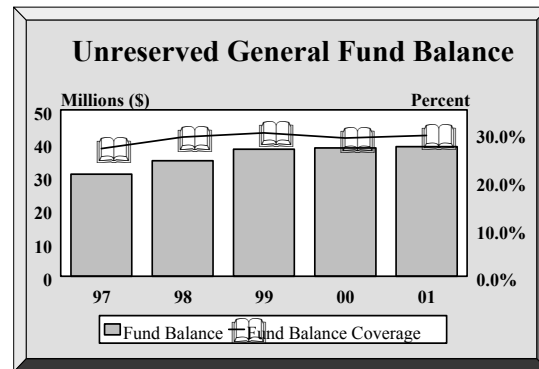
Tempe continues to be financially strong. Over the years, through sound fiscal management, Tempe has positioned itself well to weather economic downturns, create a positive atmosphere for economic development, and provide greater flexibility on budgetary issues.

### Fund Balances

One measure of a city's financial strength is the level of its fund balances (i.e., revenues exceed expenditures). The City's estimated unrestricted fund balance in the General Fund will approximate \$39.0 million as of June 30, 2001. This balance represents 29% of FY 2000-01 total General Fund revenue. Our recommended guideline for General Fund fund balance coverage is a minimum of 25% of General Fund revenues. The City's Enterprise funds (Water/Wastewater, Golf, and Sanitation programs) will have a combined fund balance of approximately \$60 million at the end of FY 2000-01.

### Financial Reserves

Another indicator of a city's financial strength is the level of its financial reserves. Over the years the City has established financial reserves to



absorb unforeseen liabilities. The City currently has self-insurance reserves totaling \$9.4 million, monies that will protect the City against potential claims. Additionally, the City approximates \$6.3 million in debt service reserves at June 30, 2001, monies that will help stabilize and fund future debt service obligations. Included in each of the biennial budget years and financed from current revenues are \$4.6 million of contingency funding for unanticipated emergencies. Finally, the City has established a "rainy day reserve" of \$8.0 million.

### Bond Ratings

The City's bond ratings are further evidence of its financial strength. Tempe's general obligation bonds are currently rated AAA by Fitch, Aa1 by Moody's and AA+ by Standard & Poor's. Such rankings mean the City's bonds are considered to be of excellent investment quality, meaning lower interest rates on bonds with corresponding lower interest payments. Having solid financial policies and strong financial reserves are principle reasons for these excellent bond ratings.

<b>Fitch</b>	<b>December 2000</b>	<b>AAA</b>
<b>Moody's</b>	<b>April 1997</b>	<b>Aa1</b>
<b>Standard &amp; Poor's</b>	<b>February 1992</b>	<b>AA+</b>

## Development Activity

The Elliot Road corridor continues with solid economic activity. We have seen several new major retail establishments and restaurants open in this location, further enhancing the City retail and sales activity there. In fact, the Elliot Road corridor generated \$13.4 million of local sales tax revenue for the City in FY 2000-01.

Another prosperous development within the Elliot Road corridor is the Autoplex. With a planned capacity of 15 auto dealerships, plus other ancillary businesses, the Autoplex represents a significant part of the City's financial future, given the sizable sales tax and property tax base each dealership brings to the community. We currently have nine auto dealerships with fifteen vehicle lines operating in the Autoplex.

Tempe continues to attract new companies and new development. Last fiscal year, city staff worked with 40 companies that created an estimated 1,500 jobs by moving into or reinvesting in Tempe. Job growth was distributed among several areas of Tempe including the ASU Research Park on the East Side, the Fountainhead Corporate Park in northwest Tempe, several developments in South Tempe along the I-10 corridor, and in Downtown Tempe. Downtown Tempe is also the site of a major mixed-use development called The Brickyard on Mill, which is comprised of three buildings-the seven-story Orchid House, the six-story Bank of America Building, and the two-level Artisan Court. These projects add loft-style residential living, additional retail and office opportunities to the Downtown.

A number of new developments are also underway at Tempe Town Lake. The first phase of Hayden Ferry Lakeside, a 1.6 million square foot mixed-use project, is under construction with a Class A, eight story office building to be completed in the summer of 2002. In addition, the 136 condominium project, also under construction, will add new options for urban living in Tempe. The city broke ground on a new marina that will provide easy launch areas for

boats to take advantage of recreational opportunities on the lake, and the Tempe Performing Arts Center is in design and will be built near the west dam on the south bank of Tempe Town Lake.

Tempe continued to build on its reputation as a "Tech Oasis". While Tempe accounts for 3% of the state's population, over 17% of Arizona's high tech companies are located in Tempe. Two Tempe zip codes, 85281 and 85282, have more technology companies than any other location in the state. Downtown Tempe, in particular, attracts companies that desire a "live, work, play" environment.

### Favorable Development Activity

⇒ **Commercial Development**

⇒ **Job Growth**

Overall, FY 2000-01 building permit valuation totaled more than \$262 million. This number includes nearly \$215 million worth of investment in commercial, industrial, and office developments. Residential construction, valued at over \$29 million, was significant because of Tempe's scarce supply of undeveloped land. The remainder of the \$262 million was invested by schools, government, and churches.

Residential development in Tempe is changing, due to the addition of loft-style developments in the Downtown and Rio Salado areas and the limited area remaining for residential growth. Commercial activity has been steady reflecting dividends both from our own economic development initiatives and programs, and the favorable economic climate in the metro Phoenix area. Permit activity overall is expected to continue to level off over the next year after very strong growth in the mid-to-late '90s.



The projection is for continued fiscal strength and economic development success. Notwithstanding this favorable economic outlook, we remain mindful of the cyclical nature of the economy.

### **Major Policy Considerations**

Budget appropriation choices were made within the context of the City's Comprehensive Financial Plan (Debt Management Plan & Long-Range Financial Capacity), Council Budget Policies, and Strategic Issues Plan.

### **Comprehensive Financial Plan**

#### **Debt Management Plan**

The favorable bond ratings are due not only to having solid fund balances and reserves, but also result from adoption of and adherence to the Debt Management Plan by the City Council in 1989, which links our future debt capacity to population, tax base growth, and current level of general operating revenue.

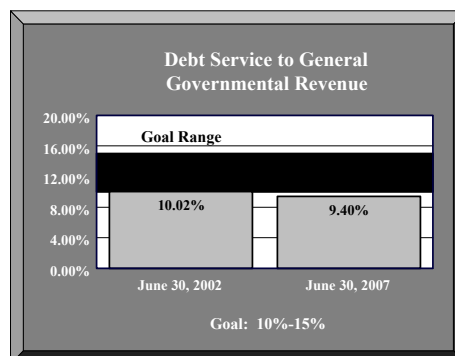
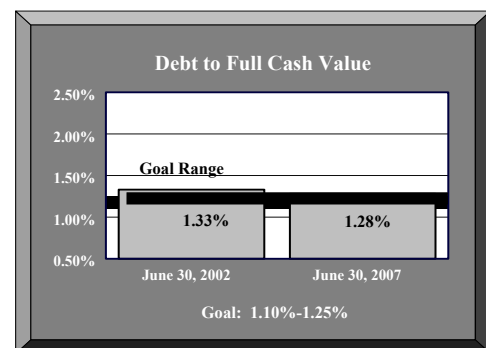
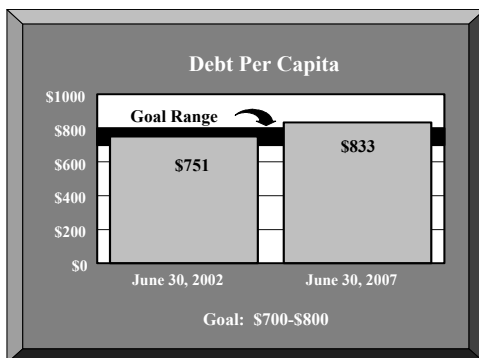
We update this plan annually based on these factors. For Fiscal Years 2001-03, we plan to issue \$12 million each year of tax-supported debt. Over the six-year capital program, we plan to issue \$72 million of tax-supported bonds, all in accordance with our Debt Management Plan.

#### **Long-Range Financial Capacity**

City staff prepares and updates the long-range financial plans and forecasts annually in preparation for developing suggested budget policies for City Council consideration.

The long-range forecast is for continued financial strength through FY 2004-05. A "Comprehensive Financial Plan" Section is included in the Biennial Budget which describes revenue and expenditures, issues, trends, and resource choices for all funds.

### **Debt Management Plan**



### Council Budget Policies for FY 2001-03

The operating budget embraces the following tenets that over the years have made the City financially strong:

- the budget *provides that current revenues are sufficient to support current expenditures* (“We are living within our means” without drawing down general fund reserves for operating purposes); the budget maintains the City’s strong general fund reserves;
- the budget *provides for a General Fund contingency appropriation* sufficient to support emergencies and unforeseen circumstances, given past experience in the City;
- the budget *provides sufficient levels of maintenance and replacement dollars* to ensure that all capital facilities and equipment are properly maintained;
- the budget *requires no increase in the total property tax rate*. The tax rate for FY 2001-02 is \$1.35 per \$100 assessed valuation;
- the budget *maintains a competitive compensation and enhanced benefits* package, which is one of the finest anywhere.

With these basic tenets as a guide, combined with the direction provided by our comprehensive financial planning process, the following budget policy direction was followed for FY 2001-03:

**1. Over the next five years, General Fund revenues will increase at a rate slower than projected expenditures. Equalizing the growth rate of both revenues and expenditures is essential to avoid future expenditure cuts or tax increases.**

- Limit recurring supplemental operating expense additions to \$750,000 and non-recurring supplementals to \$1.0 million

within the General Fund (The long-term policy is to limit recurring General Fund supplementals to \$500,000 annually);

- Minimize midyear adjustments;
- Limit operating budget impacts to the Capital Improvements Program to \$750,000 annually for the biennial budget period of 2001-03;
- Provide 1% for enhanced benefits.

**2. Based upon the Comprehensive Financial Plan, allocate anticipated surplus from the General Fund for non-recurring expenses as follows:**

- Allocate 1/3 to the Rio Salado program for capital improvements;
- Establish reserves, with the balance of surplus revenue going to the Capital Improvements Program as pay-as-you-go financing.

**3. The economy is in a slow-down period. Maintain the City’s strong financial reserve program.**

- Cap the Rainy Day Reserve at \$8 million;  
Cap the Rio Salado Reserve at \$10 million;
- Maintain the General Fund fund balance at a minimum of 25% of General Fund revenues.

**4. Although the past ten years have shown an average annual increase in assessed values of 3.8%, we are projecting the next 5 years average at 4.2%. This increased assessed value provides increased bond capacity.**

- Increase the Debt Management Plan’s G.O. Bond funding for tax supported debt to \$12.0 million annually beginning in FY 2001-02. No increase in the property tax rate (\$1.35/\$100 of assessed value) is needed to fund the increased capacity.

**5. The City's revenue structure must be examined regularly to insure minor inflationary pressures do not go unnoticed requiring large percentage increases at some time in the future.**

- Continue annual evaluations of enterprise funds (water, sewer, refuse and golf) with the purpose of recommending smaller percentage increases at routine intervals as opposed to waiting a longer period of time and requiring substantially larger percentage increases;
- Place fees for services on a regular review schedule as follows:
  - Year 1: Community Services fees (recreational, social services, library);
  - Year 2: Criminal Justice system fees;
  - Year 3: Development related fees (building permits, plan check, etc.).

**6. Institute semi-annual budget reviews with the City Council.**

**7. Continue examination of current programs by each department for potential "sunsetting" or budget trade-off.**

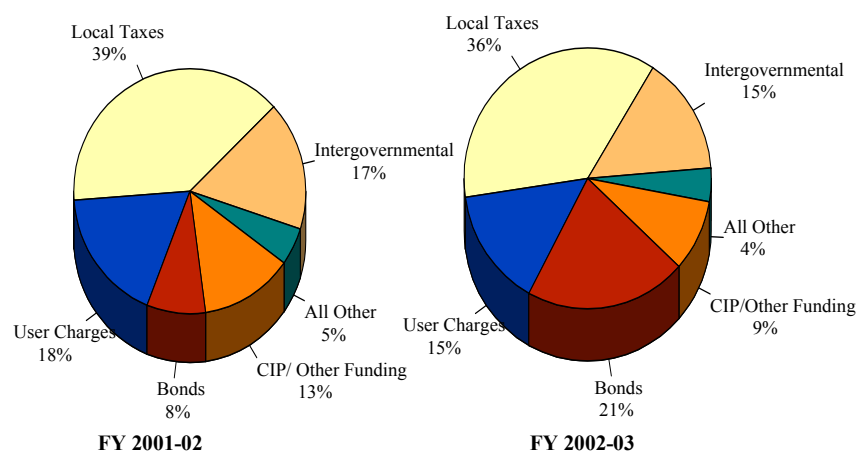
**Strategic Issues**

The City formed strategic issues teams to provide more strategic focus to resource allocation choices. The strategic issues and Council Committees for FY 2001-02 are:

- Technology Advancement and Community Development
- Human Services and People Improvement Program
- Finance and Economic Development
- Cultural and Community Programs
- Neighborhood Enhancement and Public Safety Community Partnerships
- Transportation Committee of the Whole
- Rio Salado Committee of the Whole
- Ad Hoc Committee on Human Relations

The goal of each strategic team is to delineate long-range goals, formulate a cohesive strategy for each of the defined areas, and develop action plans to advance the city toward those strategic goals. Basic services were also identified as a top priority in evaluating resource allocation choices.

Where the Money Comes From  
by Source of Funds





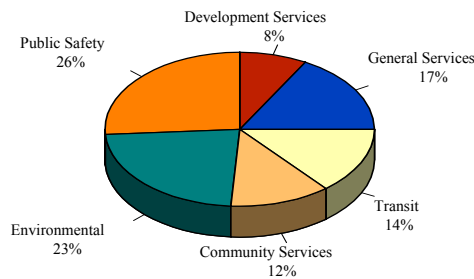
## Income/Outgo

The pie charts below and on the previous page portray the City's income and outgo. Revenues are grouped by major category, while expenditures are shown by program area and by type of expenditure (such as personal services). Local taxes (e.g., city sales tax and property tax) continue to be the largest City revenue source, representing 39% of the FY 2001-02 total revenue budget, decreasing to

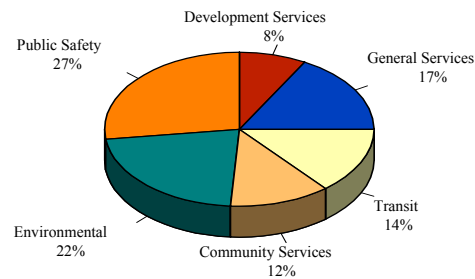
36% in FY 2002-03. Other major revenue sources include user charges (such as water service and refuse fees) and intergovernmental revenue.

The pie charts show a breakdown of City expenditures and where the money is spent by program. Public Safety and Environmental Health represent the greatest areas of program appropriation, accounting for 49% of the total financial program in each of the fiscal years 2001-03.

### Where the Money Goes By Type of Program



**FY 2001-02**

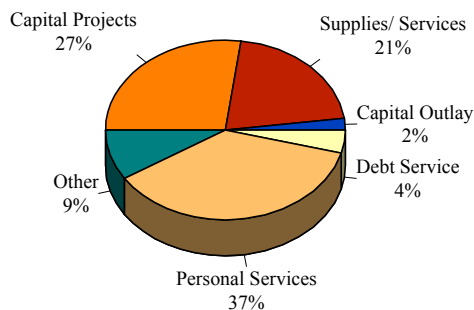


**FY 2002-03**

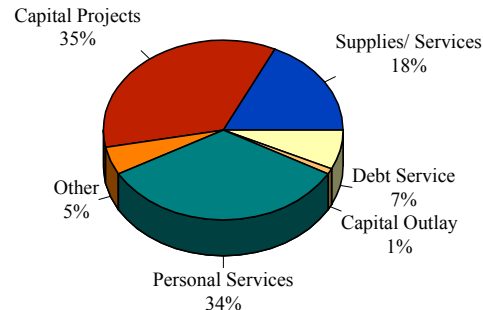
The final chart portrays budget appropriations by line-item category. As you may expect with a service-type organization, Personal Services

(salaries, wages and benefits) represent a large portion of the total financial program.

### Where the Money Goes By Line Item Category



**FY 2001-02**



**FY 2002-03**



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## **Conclusion**

The City of Tempe has a long history of maintaining a high quality of service to its citizens. Whether these service levels fit the “basic service” definition or a “quality of life” definition, the City seeks a balance to provide services to all its residents, and at the lowest possible cost.

The adopted biennial budget for FY 2001-03 reflects the commitment to maintain these high levels of service amid fluctuating economic uncertainties.

Maintaining the City’s excellent financial situation is a top priority of the City Council and staff. As such, we will continue to focus on the City’s Comprehensive Financial Plan to model future financial scenarios. Limiting recurring General Fund operating expenses in future years will be a key factor in our scenario planning.

The adopted biennial budget reflects the Council’s policy of preserving Tempe’s strong financial position by maintaining strong fund balances and reserves, attracting and retaining high quality staff with highly competitive salaries and benefits, adding new programs cautiously and making decisions within the context of our comprehensive financial plan. The budget asserts our commitment to meet and exceed our community’s high expectations and to continue to meet these needs at the lowest possible cost to our citizens.

With final budget adoption, I want to thank the Mayor and City Council, citizens of Tempe and City staff for their time and effort throughout this budget process.

Respectfully submitted,

Will Manley, City Manager





## MISSION:

To work with each other and the community to make Tempe the best place to live, work, and play.

## VALUES:

We value...

**People-** We appreciate the talents of each person and encourage responsible decision making at the most appropriate level. We recognize the importance of personal and professional development.

**Creativity-** We encourage imaginative problem solving, innovation, resourcefulness and responsible risk taking.

**Quality-** We provide superior services and are committed to continuous improvement. We are attentive to the changing needs of the people we serve.

**Integrity-** We are honest, accountable and trustworthy.

**Openness-** We are accessible and work as a team by sharing information, ideas, resources and responsibility.

**Respect-** We welcome individual and professional differences and treat everyone with dignity, courtesy and sensitivity.



## ***Budget Summaries***

The Following section provides a summary of the Operating and Capital Budgets along with summary budget schedules, historical overview of Citywide budget data, debt service, personnel, and fund summaries



	<u>Page</u>
<b>Budget Policies</b> .....	12
<b>Budget Process Flowchart</b> .....	17
<b>Budget Process Summary</b> .....	18
<b>Total Financial Program</b> .....	21
<b>Components of Total Financial Program</b> .....	22
<b>Financial Program Summary</b> .....	24
<b>Fund Summary</b> .....	25
<b>General Governmental and Enterprise Funds: Ten Year Fund Balance Trends</b> .....	26
<b>Citywide Overview:</b>	
<b>Operating Budget, Debt Service, Revenues, and Staffing</b> .....	28
<b>Operating Budget Overview</b>	
General Fund .....	29
Transit Fund .....	34
Transportation Funds .....	35
Debt Service Fund .....	37
Community Development Block Grant/Section 8 Housing Grant Funds .....	38
Enterprise Funds .....	39
<b>Capital Budget</b>	
Capital Budget Overview .....	45
CIP Project Listing .....	48
CIP Summary .....	60
CIP Fund Balances .....	61
Relationship Between Operating and Capital Budgets .....	62
<b>Program Budget</b>	
Program Budget at a Glance .....	65
Per Capita Operating Expenditures by Program .....	66
Program by Fund Summary .....	67
Program by Department Summary .....	68
<b>Debt Service</b>	
Bonded Debt Limits Summary .....	69
Debt Policy .....	70
Debt Service Schedule .....	71
<b>Capital Budget, Debt Service, Assessed Valuation,</b>	
<b>Property Tax Rate: Ten Year Historical Trends</b> .....	74
<b>Property Taxes</b> .....	75
<b>Impact of Total Budget on Citizens</b> .....	76
<b>Personnel Summary: Ten Year History</b> .....	77



The budgetary policies enumerated below outline a general framework of budgetary goals and objectives regarding the operating budget, debt service, capital expenditures, reserves, and financial reporting. They provide standards against which current budgetary performance can be measured and proposals for future programs evaluated.

### Operating Budget Policies

Current revenues will be sufficient to support current operating expenditures.

- **Status:** *FY 2000-01 estimated General Fund operating revenues (\$132.8 million) to expenditures (\$113.8 million) Ratio 1.2:1*

Financial systems will be maintained to monitor expenditures, revenues and program performance on an ongoing basis.

- **Status:** *Ongoing monitoring system with monthly reviews including new payment and purchase requisition system*

Revenues and expenditures will be projected for the next five years and will be updated annually.

- **Status:** *Projections completed in Comprehensive Financial Plan (April 2001 Update)*

### Debt Service Policies

Long-term debt will not be issued to finance current operations.

- **Status:** *None issued to finance current operations*

Outstanding Tax Supported Debt\* growth rate will be maintained at a rate commensurate with Tempe's population, growth factors and financial condition consistent with the rate of growth in its underlying tax base and budget base; long-term debt will not exceed the City's resources for repaying the debt.

- **Status:** *Debt growth commensurate with growth indicators; FY 1999-00 Non-enterprise tax supported debt \$120.5 million; FY 2000-01 tax supported debt \$118.2 million; percent change (1.7%); FY 2001-02 \$122.6 (est.); percent change 3.5%*

*\* Includes total tax supported debt (property and excise taxes) less debt service fund reserve.*

Outstanding Tax Supported Debt (FY 2000-01 \$118.2 million, FY 2001-02 \$122.6 million) will not exceed 1.10-1.25% of the estimated full assessed valuation\* (FY 2000-01 \$8,604,588,325); (FY 2001-02 est. \$9,123,192,645).

- **Status:** *Debt to Full Value: FY 2000-01 1.38%, FY 2001-02 1.33%*

*\* Actual full cash value, net of estimated value of property exempt from taxation*

Annual Tax Supported (property and excise tax) Debt Service (FY 2000-01 \$18.0 million; FY 2001-02 \$15.6 million) will not exceed 10-15% of the Total Governmental Revenue (FY 2000-01 \$151.6 million; FY 2001-02 \$155.4 million)\*.

- **Status:** *Debt Service to Revenues: FY 2000-01 11.9%; FY 2001-02 10.0% (est.)*

*\* Includes General Fund, Debt Service and Transportation (excludes Transit revenue)*

Outstanding Tax Supported Debt per capita will be maintained within the range of \$700 and \$800

per capita and increase no more than 50% within four years or 20% in one year.

- **Status:** *Debt Per Capita: FY 2000-01 \$722; FY 2001-02 \$751 (est.)*

### Capital Expenditures Policies

As required by City Charter, a five-year capital improvements program will be developed and updated annually, including anticipated funding sources.

- **Status:** *FY 2001-03 Biennial CIP Budget of \$85.5 million (FY 2001-02) and \$130.6 million (FY 2002-03) adopted as part of a 6 year, \$700.8 million CIP program*

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

- **Status:** *Average weighted life years on CIP bonds: FY 2000-01 16.3%; FY 2001-02 15.5%*

The City will coordinate development of the capital improvements budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.

- **Status:** *Operating Budget impact of new capital projects is estimated at \$1.4 million plus an estimated \$2.6 million (\$1,436,866 Water/Wastewater, \$523,107 Transportation, and \$628,107 General Purpose) in additional debt service for the coming fiscal year. Future operating costs associated with new capital projects have been incorporated into the Comprehensive Financial Plan*

The City will maintain all its physical assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

- **Status:** *Aggressive capital maintenance program approved in Capital Improvements Program budget*

The City will establish an appropriate mix of bonded debt and pay-as-you-go financing in the funding of capital projects.

- **Status:**

### Reserve Policies

Sources of Funds		
(\$ Millions)	FY 2001-02	FY 2002-03
General Obligation Bonds	\$25.9	\$79.8
Pay-As-You-Go Financing	17.6	18.7
Outside Revenue	40.3	33.0
Capital Projects Fund Balance	1.7	(0.9)
<b>Total Sources of Funds</b>	<b>\$85.5</b>	<b>\$130.6</b>

The City will continue its healthy financial reserve position. Fund balance coverage for the General Fund will be maintained at a minimum of 25% of General Fund revenue.

- **Status:**

Fund Balance FYE 00	Revenues FY 2000-01	Fund Balance Coverage
\$38.6 M	\$132.7 M	29.1%

Fund Balance FYE 01	Revenues FY 2001-02	Fund Balance Coverage
\$39.2 M	\$132.0 M	29.7%

The City will maintain an unrestricted minimum retained earnings balance of \$45 million of anticipated revenues in the Water/Wastewater Fund, and a minimum of 10% of anticipated revenues in the other Enterprise Funds (Sanitation, Golf).

- **Status:**

	Fund Balance FYE 00	Revenue FY 2000-01	Fund Balance Coverage	Days Coverage
<b>Water/Wastewater</b>	\$56.4 M	\$43.5 M	129.7%	473
<b>Sanitation</b>	\$1.2 M	\$10.2 M	11.8%	43
<b>Golf</b>	\$1.5 M	\$2.0 M	75.0%	274

	Fund Balance FYE 01	Revenue FY 2001-02	Fund Balance Coverage	Days Coverage
<b>Water/Wastewater</b>	\$57.8 M	\$43.1 M	134.1%	490
<b>Sanitation</b>	\$1.2 M	\$10.3 M	11.6%	43
<b>Golf</b>	\$0.8 M	\$2.2 M	36.4%	133

Self-insurance reserves shall be maintained at a level which, together with purchased insurance policies, adequately indemnify the City's capital assets.

- **Status:** *FY 2000-01 \$8.1 million and FY 2001-02 \$8.1 million in self-insurance reserves*

## Financial Reporting Policies

The City's accounting and financial reporting systems will be maintained in conformance with current accepted principles and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

- **Status:** *GFOA Certificate of Achievement for Excellence in Financial Reporting. GFOA Distinguished Budget Presentation Award including an outstanding rating as a communications device for the biennial budget*

Full disclosure will be provided in the general financial statements and bond representations.

- **Status:** *Notes to the financial statements and official bond statement provide full disclosure*

An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official annual financial statement.

- **Status:** *Unqualified independent audit report*

## Financial Stability

Several steps were undertaken to insure our continued financial stability amid declining state-shared revenues and uncertain assessed valuation policy. These recommendations, listed under the Financial Action Plan in the Comprehensive Financial Plan, include the following:

- **Long-Range Forecast** was prepared for all funds projecting revenues and expenditures over the next five years.
- **Sales Tax Revenues** (in General Fund) derived from the sales tax election of 1993 approving an increase in the rate from 1.0% to 1.2%, appears sufficient to meet projected expenditure needs through FY 2004-05.
- Amid declining Highway User Revenue Fund revenues and increasing transportation needs, a **Transit Tax Proposal** was passed by the voters on September 10, 1996, increasing the sales and use tax rate by one half of one percent, and restricting revenues to improving public transportation.
- Annual review of the **Debt Management Plan** and **sizing of Capital Budget to Debt Criteria** led us to limit new debt issues to an average of \$12.0 million each year for the next 6 years.
- Building on the **Benchmarking Program**, incorporating recommended benchmarks from the Governmental Accounting Standards Board Service Efforts and Accomplishments Reporting program, International City/County Management Association Performance Measures, and citywide internal and external benchmarking programs to assist in public accountability and continuous improvement in the efficiency, quality, and outcomes of work processes and services.
- Continue citywide **Competitive Analyses** to evaluate and improve service delivery while enhancing accountability to the citizens.
- **Strategic Issues Program** implemented to identify and prioritize key strategic issues,

leading to incorporation of recommended corresponding strategies and goals into the budget process.

- **Financial Policy Implementation and Monitoring** continue to be fine-tuned to refine financial guidelines and the administrative procedures to monitor performance criteria.
- **Expenditure Control** will be directed at slowing growth by means of citywide line item reviews, modified base budget approach, and program sunseting.
- **Limit Midyear Adjustments** which circumvent the normal budget process and pose a risk to careful long-range financial planning.
- Continue efforts in coalition with the League of Arizona Cities and Towns to help **Protect State-Shared Revenues**.
- **Manage Stability** as effectively as growth has been managed in the past. Financial flexibility, which comes easily during rapid revenue growth periods, must be intentionally constructed through effective decision-making when managing stability.
- **Review Benefits Program** to explore such options as increasing deductibles, requiring greater employee contributions and/or modifying our benefits cafeteria programs.

#### **Council Budget Policies**

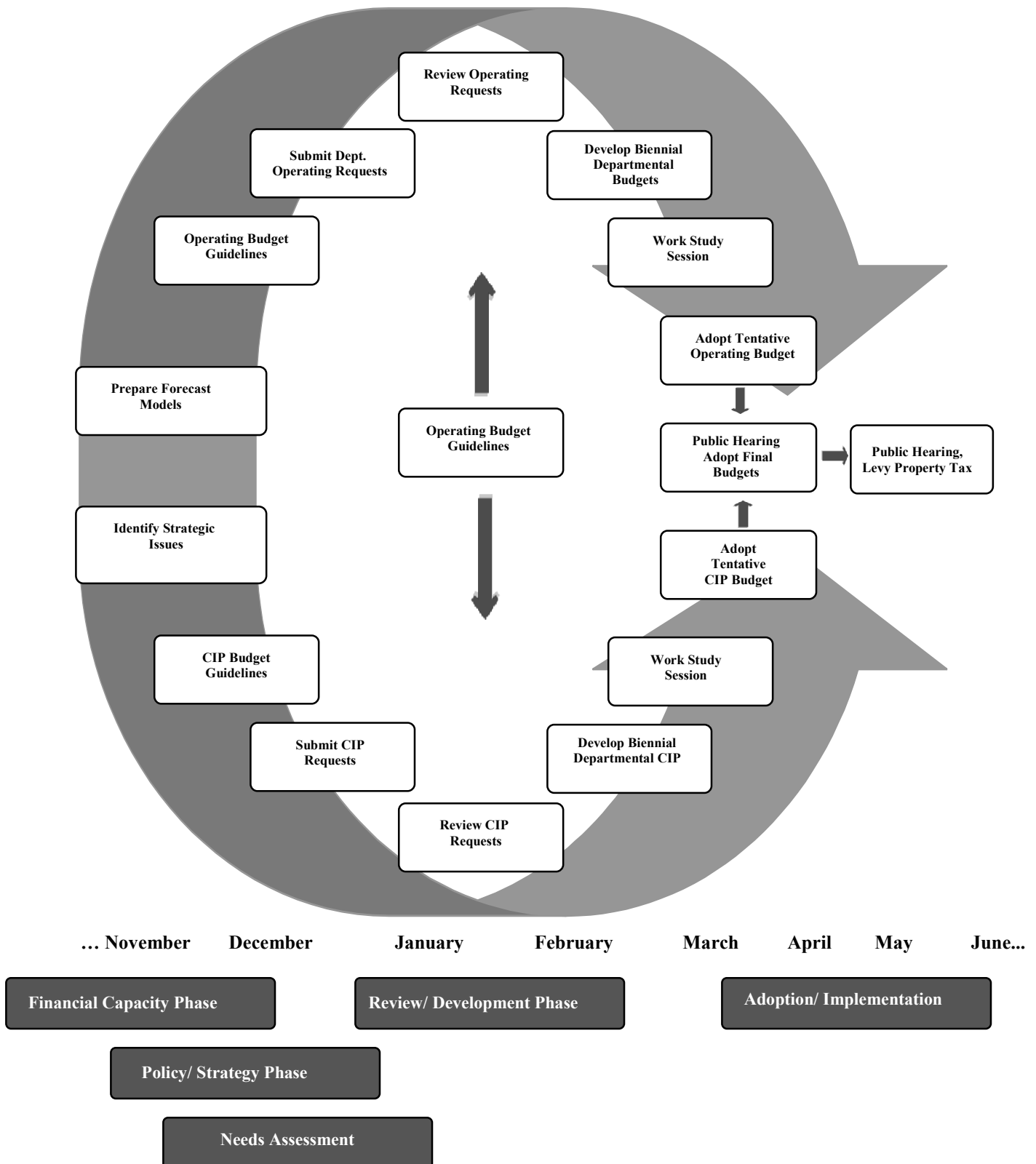
- Continue the modified base budget implemented at the start of the budget process, incorporating historical spending patterns, program cost adjustments, and long-range forecasts in the preparation of budget allocation targets, thereby limiting the rate of budgetary growth.
- Limit recurring supplemental operating expense additions to \$750,000 and non-recurring supplementals to \$1.0 million within the General Fund (The long-term policy is to limit recurring General Fund supplementals to \$500,000 annually. For the biennial budget, the Council approved a \$750,000 recurring limit to fund needs in public safety and development and community services having a high priority with the Council and Tempe residents). This supplemental level and other contemplated funding levels should be considered against a backdrop of our long-range forecasts and how such levels affect the future financial health of the General Fund.
- Continue to allocate 1/3 of the annual net General Fund revenue to Rio Salado capital improvements, with the remaining 2/3 for reserves and Capital Improvement Program pay-as-you-go financing.
- Continue to evaluate our self-supporting enterprise operations on an annual basis for possible revenue changes.
- Continue to re-examine current programs, re-engineering processes and competitiveness in the City as necessary.
- Continue to strengthen basic (existing) programs and services in the City.
- Continue to identify and address Council's strategic issues.



## Budget Process Flowchart



The following flowchart depicts the City of Tempe's Biennial Budget process and timeline.





### Budget Process Overview

Budget preparation allows departments the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget may be heard by the Mayor and Council in May and adopted in June, its preparation begins at least six months prior with projections of City reserves, revenues, expenditure limit requirements, and financial capacity. It is with this "groundwork" that departmental expenditure requests are made and subsequently reviewed.

- **Impact of Biennial Budgeting**

With the transition to biennial budgeting, the City's budget development process was fundamentally altered, but many aspects of the existing process were kept in place. Functions normally occurring each year (such as the submission of department budget requests and the preparation of the Manager's recommended budget) now occur every other year. During the "off" budget year, minimal technical adjustments are made to the budget for items that could include employee benefits rate changes, for example, or other costs expected to significantly surpass original budgeted amounts and in aggregate exceeding the contingency budget.

- **Financial Capacity Phase**

Forecasting is an integral part of our decision-making process. Both long-range and short-range projections are prepared. The City's Comprehensive Financial Plan is updated annually to assess our current financial condition and future financial capacity, given our long range plans and objectives. A five-year financial forecast is prepared for each major fund, projecting both expenditures and revenues. As a part of this phase, alternative scenarios are examined for their fiscal impact on each respective fund.

- **Policy/Strategy Phase**

The Council's goals and directives set the tone for the development of the budget. In fact, shortly after the budget is adopted, the Council meets to identify strategic priorities, issues, and projects impacting the next fiscal year budget. The Council identifies key strategic issues that will provide the direction and framework for the budget. It is within this general framework that departments' supplemental requests are formulated. Aside from the Council's own objectives, the departments identify and discuss their own policy issues with the City Manager.

Presentations by Budget Office staff at "budget kickoff" meetings include a discussion of citywide goals and objectives, budgeting guidelines for the operating and capital budgets, timelines, an overview of fiscal constraints, and resources available for allocation. The Budget Manual distributed at these meetings is designed to assist the departments in preparing all budget requests and forms.

- **Needs Assessment Phase**

The departments have an opportunity to assess current conditions, programs, and needs. Examination of current departmental programs or positions for possible trade-offs, reduction, or elimination is strongly suggested. During this phase, departments are encouraged to thoroughly review all programs and services, assessing their value and priority to the citizens of Tempe. Additionally, departments reassess service level standards and workload indicators. They then attempt to provide the "best fit" of resource allocation with service and workload estimates. From this process, they prepare preliminary departmental budgets.

As part of this Needs Assessment Phase, a citizen survey is conducted to solicit citizen satisfaction with City services and their perception of resource allocation or budget priorities.

- **Review/Development Phase**

Within the framework of the City's financial capacity, Council and City Manager priorities

and departmental needs assessments, budget requests are reviewed and a preliminary Citywide operating budget takes shape. The departments initially prepare and submit base budget work sheets reflecting allocation targets. The amount of the allocation is determined by modifying the prior year budget by historical spending patterns and then adjusting for price increases (inflation).

Supplemental requests are evaluated and presented at various budget levels: (1) base budget level, (2) recommended level providing monies to implement new or expand City programs, and (3) policy level which allows additional program options.

- **Adoption/Implementation Phase**

Prior to May 1 in a budget preparation year (Year 2 of the biennium), the City Manager submits to the Council a proposed operating budget for the next biennium commencing the following July. The operating budget includes proposed expenditures and the means of financing them.

Even though a city may operate with a biennial budget, Arizona's local budget and finance laws still require cities and towns to adopt budgets annually. According to state statutes, tentative budget adoption must occur on or before the 3<sup>rd</sup> Monday in July each year, with final adoption taking place no less than 7 days prior to adoption of the property tax rate. Thus, the formal action by the Council is to adopt the budget for the upcoming fiscal year rather than both years of the biennium.

The property tax levy must be adopted by the 3<sup>rd</sup> Monday in August. State law requires cities and towns with property taxes to adopt their tax rates annually, even though a jurisdiction may operate on a biennial budget.

At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office, or agency.

Management control of the budget is maintained by conducting monthly budget performance reviews throughout the fiscal year. They are aimed at examining expenditure patterns, and recommending corrective action to be taken during the year.

Additionally, records are maintained to evaluate ongoing programs and services.

- **Budget Roles and Responsibilities**

Every employee plays a role in budgeting—whether in its formulation, preparation, implementation, administration, or evaluation. Ultimately, of course, the department head, through the City Manager, is accountable to the City Council for the performance of departmental personnel in meeting specific objectives within allocation resource limits.

Actual budget preparation responsibility can be identified more specifically:

1. The program **cost center manager** is responsible for (a) preparing cost estimates for the remainder of the current fiscal year; (b) projecting base budget requirements for the biennium; and (c) developing other requests that change or revise the program so that it will be more effective, efficient, productive and economical.
2. The **department manager** and the **division director** are responsible for reviewing, modifying and assembling their cost center data into a departmental request package. Department heads should critically evaluate departmental objectives and prioritize requests.  
The preparation of budget requests, goals and objectives should coincide with the strategic issues set forth by the Council.
3. **Internal Service Areas** (Fleet and Information Technology Areas) will contact each department to coordinate the initial needs assessment, cost estimates, and recommendations. Replacement equipment (i.e. vehicles, hardware/software and communication equipment) will be submitted to the budget office by

the Internal Service areas. Any new equipment required by the departments should reflect the cost estimates and recommendations from the Internal Services areas and submitted by the departments. Final review and recommendations for hardware/software and communication equipment will be the result of evaluating priorities within the departmental budget team process.

4. The **Budget Administrator and Analysts** within the Financial Services Department are responsible for (a) preparing short and long-range revenue and expenditure forecasts, (b) assisting departments as requested in the preparation of supplemental requests, (c) analyzing supplemental requests and presenting that analysis to the Budget Team (Department Managers, Deputy City Managers, and Financial Services Manager), and (d) reviewing the linkage between budget requests and the City's strategic issues.
5. The **Budget Team** consists of the Department Managers, Division Directors, and Deputy City Managers and is responsible for reviewing departmental operating requests within the context of a set of evaluation criteria and preparing a recommended budget for review by the City Manager.
6. The **Capital Improvement Program Executive Committee** reviews program scopes, cost estimates and funding sources of CIP requests and prepares a recommended CIP budget for review by the City Manager.
7. The **City Council** is responsible for the review of the City Manager's tentative budget and approval of a final budget.
8. **Transfer of Appropriations**; At any time during the fiscal year the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office, or agency. Upon written request by

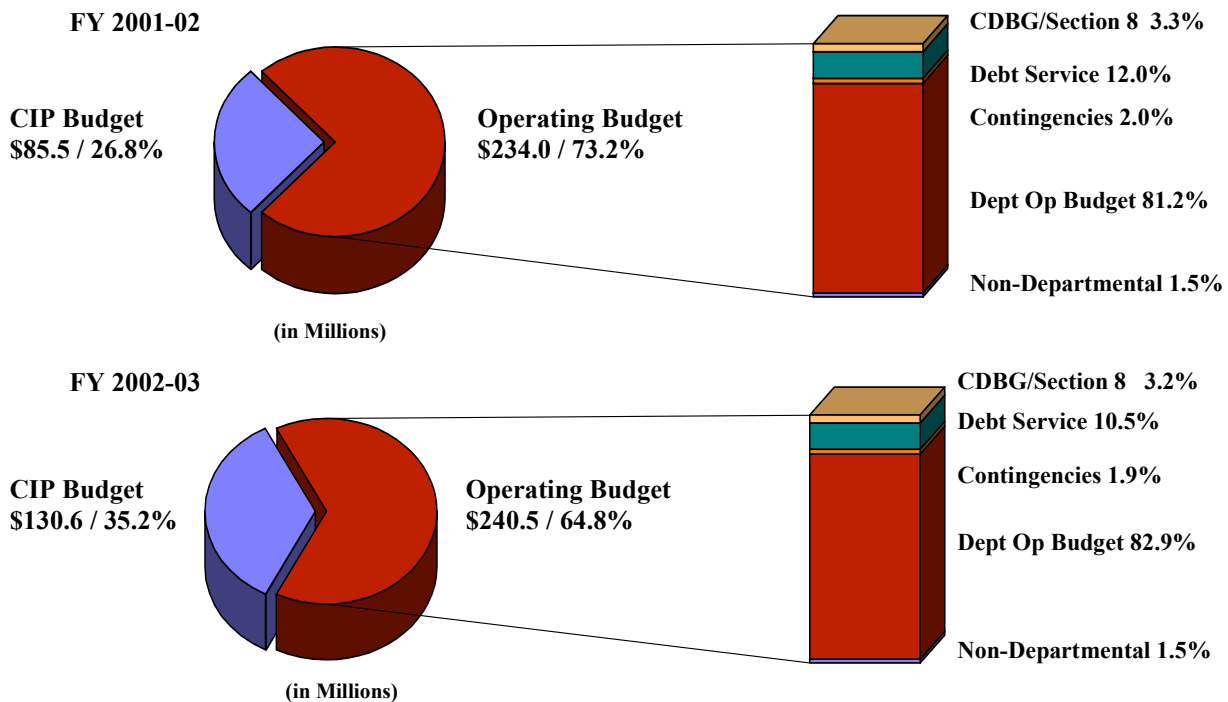
the City Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another (**Section 5.08, City of Tempe Charter**).

9. **Permission to Exceed Budget**; In the event of an emergency, the Council may seek permission from the State Board of Tax Appeals (previously State Tax Commission) to exceed the adopted budget (**Section 5.09, City of Tempe Charter**).

## Total Financial Program

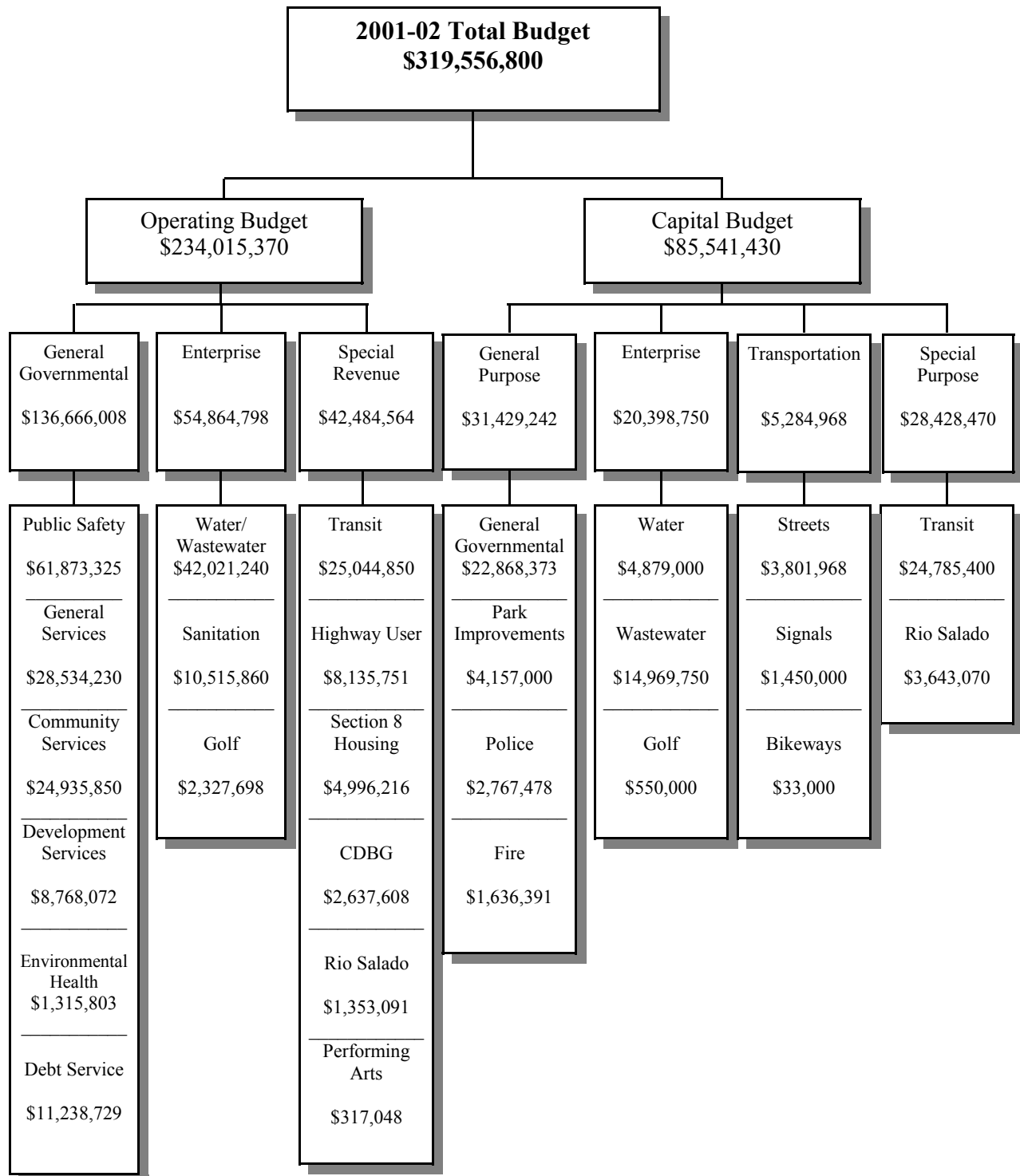


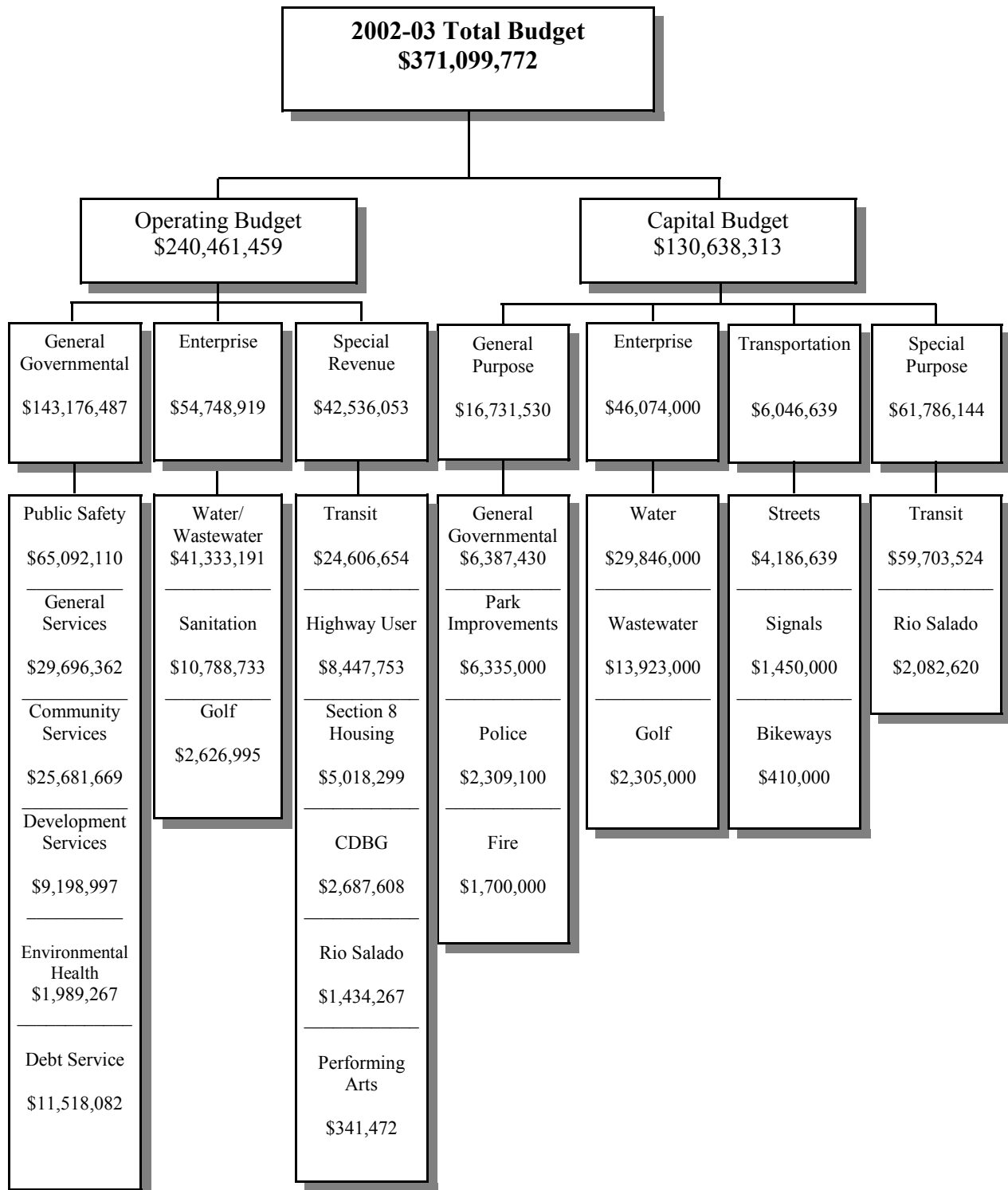
The total financial program adopted for the biennial budget is \$319.6 million for FY 2001-02 and \$371.1 million for FY 2002-03. Year 1 of the biennium reflects a \$234.0 million operating budget and an \$85.5 million Capital Improvements Program, representing a 10.4% increase from the FY 2000-01 total financial program. In Year 2, the total financial program increases to \$371.1 million, a 16.1% increase in the total financial program from FY 2001-02, with the CIP budget growing to \$130.6 million. Operating budget growth of 5.3% and 2.8% in FY 2001-02 and FY 2002-03, respectively, is related primarily to increased funding for public safety and criminal justice programs, and community services. The increase in the CIP is largely attributed to the expansion of the City's water/wastewater program and to the implementation of a new light rail system.



Total Financial Program			
	FY 2000-01	FY 2001-02	FY 2002-03
OPERATING BUDGET			
Departmental Operating Budget	172,285,257	190,023,541	199,248,751
Debt Service	21,719,070	28,189,488	25,209,333
Non-Departmental	5,194,491	3,597,440	3,615,704
Contingencies	15,410,468	4,571,077	4,681,764
CDBG/Section 8 Housing	7,559,996	7,633,824	7,705,907
<b>TOTAL OPERATING BUDGET</b>	<b>\$222,169,282</b>	<b>\$234,015,370</b>	<b>\$240,461,459</b>
Capital Improvements	67,408,152	85,541,430	130,638,313
<b>TOTAL FINANCIAL PROGRAM</b>	<b>\$289,577,434</b>	<b>\$319,556,800</b>	<b>\$371,099,772</b>

# Components of Total Financial Program—FY 2001-02





## Financial Program Summary



The tables below depict the City's Financial Program Summary, revenues and expenditures, for both fiscal years.

### Revenues

	FY 2001-02	FY 2002-03		FY 2001-02	FY 2002-03
<b>Operating Revenue</b>			<b>Enterprise</b>		
<u>General Governmental</u>			Water/Wastewater		
Local Taxes/Licenses	\$91,321,600	\$95,886,600		43,127,700	42,863,700
Intergovernmental	35,178,000	37,093,200	Sanitation		
Charges for Services	7,080,600	7,081,200		10,460,300	10,676,500
Interest	5,307,000	4,583,000	Golf		
Fines & Forfeitures	4,321,400	4,321,400		2,187,800	2,182,900
Other	1,338,300	1,389,200	<b>Subtotal Operating Revenue</b>		
<u>Special Revenue</u>				<b>\$260,428,800</b>	<b>\$267,793,600</b>
Transit Tax	35,030,800	36,125,100	<b>Capital Revenue</b>		
HURF	10,162,600	10,355,700	<u>Bond/Note</u>		
Section 8	4,996,200	5,018,300	Enterprise G.O Bonds		
Maintenance	742,600	753,600		10,000,000	15,500,000
CDBG	2,637,600	2,687,600	Tax Supported G.O.		
Performing Arts	5,604,000	5,874,000		12,000,000	12,000,000
Lottery Funds	932,300	901,600	W/WW Revenue Bonds		
				3,900,000	20,400,000
			Transit Excise Tax		
				-	29,911,000
			Excise Tax Golf		
				-	2,000,000
			<u>CIP Outside Revenues</u>		
			Federal Funds		
				23,608,200	25,777,300
			Development Fees		
				1,250,000	1,000,000
			State Grant		
				525,000	-
			Other Fund Balance		
				7,844,800	(3,282,100)
			<b>Subtotal Capital Revenue</b>		
				<b>\$59,128,000</b>	<b>\$103,306,200</b>
			<b>TOTAL PROGRAM*</b>		
				<b>\$319,556,800</b>	<b>\$371,099,772</b>

\* Figures adjusted for rounding.

### Expenditures

	FY 2001-02	FY 2002-03		FY 2001-02	FY 2002-03
<b>Operating Budget</b>			<b>Capital Budget</b>		
<u>General Governmental</u>			<u>General Purpose</u>		
Public Safety	\$61,873,325	\$65,092,110	General Government		
General Services	28,534,230	29,696,362		\$22,868,373	\$6,387,430
Community Services	24,935,850	25,681,669	Park Improvements		
Developmental	8,768,072	9,198,997		4,157,000	6,335,000
Debt Service	11,238,729	11,518,082	Police		
Environmental Health	1,315,803	1,989,267		2,767,478	2,309,100
<u>Enterprise</u>			Fire		
Water/Wastewater	42,021,240	41,333,191		1,636,391	1,700,000
Sanitation	10,515,860	10,788,733	<u>Enterprise</u>		
Golf	2,327,698	2,626,995	Water		
<u>Special Revenue</u>				4,879,000	13,923,000
Transit Tax	25,044,850	24,606,654	Wastewater		
Highway User	8,135,751	8,447,753		14,969,750	29,846,000
Section 8	4,996,216	5,018,299	Golf		
CDBG	2,637,608	2,687,608		550,000	2,305,000
Rio Salado	1,353,091	1,434,267	<u>Transportation</u>		
Performing Arts	317,048	341,472	Streets		
				3,801,968	4,186,639
			Signals		
				1,450,000	1,450,000
			Bikeways		
				33,000	410,000
			<u>Special Purpose</u>		
			Transit		
				24,785,400	59,703,524
			Rio Salado		
				3,643,070	2,082,620
			<b>Subtotal Capital Budget</b>		
				<b>\$85,541,430</b>	<b>\$130,638,313</b>
<b>Subtotal Operating Budget</b>	<b>\$234,015,370</b>	<b>\$240,461,459</b>	<b>TOTAL PROGRAM</b>	<b>\$319,556,800</b>	<b>\$371,099,772</b>



## Fund Summary



### FY 2001-02

Fund	Estimated Fund Balance 7/1/01	Revenue <sup>1</sup>	Total Financial Resources	Budgeted Expend. <sup>2</sup>	Adjusted Financial Resources	Interfund Transfer In	Interfund Transfer (Out)	Estimated Fund Balance 6/30/02
General	\$39,207,573	\$131,979,100	\$171,186,673	\$125,427,279	\$45,759,394	\$6,375,000	(\$17,718,397)	\$34,415,997
Special Revenue:								
HURF/LTAF	1,817,376	10,787,200	12,604,576	8,135,751	9,268,825	1,850,000	(4,800,000)	6,318,825
CDBG/Section 8		7,633,800		7,633,824				
Rio Salado	160,439	1,050,300	1,210,739	1,353,091	(142,352)	7,093,397	(7,093,397)	(142,352)
Performing Arts		5,604,000	5,604,000	317,048	5,286,952			5,286,952
Transit	33,358,456	35,030,800	68,389,256	25,044,850	43,344,406		(1,268,200)	42,076,206
Debt Service	6,327,442	12,567,800	18,895,242	13,303,729	5,591,513	4,500,000	(3,300,000)	6,791,513
Enterprise:								
Golf Courses	856,302	2,187,800	3,044,102	2,327,698	716,404		(550,000)	166,404
Sanitation	1,236,251	10,460,300	11,696,551	10,515,860	1,180,691			1,180,691
Water/Wastewater	57,838,248	43,127,700	100,965,948	42,021,240	47,698,488	3,300,000	(5,998,488)	45,000,000
<b>TOTAL OPERATING</b>	<b>\$140,802,088</b>	<b>260,428,800</b>	<b>401,230,888</b>	<b>236,080,370</b>	<b>165,150,518</b>	<b>23,118,397</b>	<b>(40,728,482)</b>	<b>141,094,237</b>
Capital Improvements	4,061,978	66,183,000	70,244,978	85,541,430	(15,296,452)	17,610,085		2,313,633
<b>TOTAL FUNDS</b>	<b>\$144,864,066</b>	<b>\$326,611,800</b>	<b>\$471,475,866</b>	<b>\$321,621,800</b>	<b>\$149,854,066</b>	<b>\$40,728,482</b>	<b>\$(40,728,482)</b>	<b>\$143,407,870</b>

### FY 2002-03

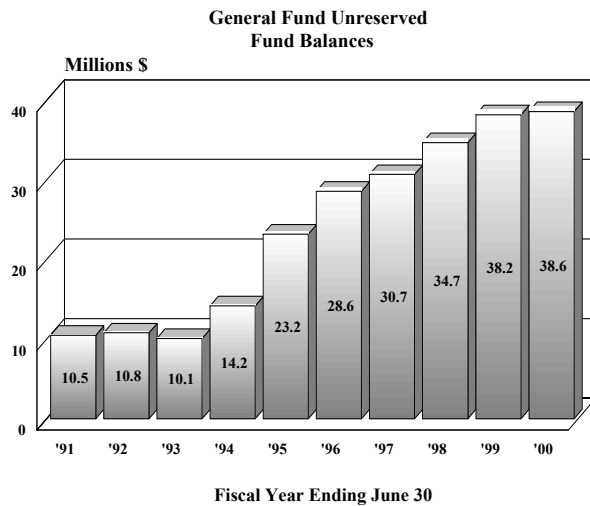
Fund	Estimated Fund Balance 7/1/02	Revenue <sup>1</sup>	Total Financial Resources	Budgeted Expend. <sup>2</sup>	Adjusted Financial Resources	Interfund Transfers In	Interfund Transfers (Out)	Estimated Fund Balance 6/30/03
General	\$34,415,997	\$136,802,400	\$171,218,397	\$131,658,405	\$42,259,993	\$4,300,000	(\$12,010,140)	\$34,549,853
Special Revenue:								
HURF/LTAF	6,318,825	10,959,800	17,278,625	8,447,753	13,630,872	1,850,000	(5,396,160)	10,084,712
CDBG/Section 8		7,705,900		7,705,907				
Rio Salado	(142,352)	1,051,100	908,748	1,434,267	(525,519)	2,406,300	(2,406,300)	(525,519)
Performing Arts	5,286,952	5,874,000	11,160,952	341,472	10,819,480			10,819,480
Transit	42,076,206	36,125,100	78,201,306	24,606,654	53,594,652		(4,225,224)	49,369,428
Debt Service	6,791,513	13,552,200	20,343,713	13,583,082	6,760,631	4,000,000	(4,000,000)	6,760,631
Enterprise:								
Golf Courses	166,404	2,182,900	2,349,304	2,626,995	(277,691)		(305,000)	(582,691)
Sanitation	1,180,691	10,676,500	11,857,191	10,788,733	1,068,458			1,068,458
Water/Wastewater	45,000,000	42,863,700	87,863,700	41,333,191	46,530,509	4,000,000	(6,937,690)	43,592,819
<b>TOTAL OPERATING</b>	<b>\$141,094,237</b>	<b>267,793,600</b>	<b>408,887,837</b>	<b>242,526,459</b>	<b>166,361,378</b>	<b>16,556,300</b>	<b>(35,280,514)</b>	<b>155,137,171</b>
Capital Improvements	2,313,633	112,811,000	115,124,633	130,638,313	(15,513,680)	18,724,214		3,210,534
<b>TOTAL FUNDS</b>	<b>\$143,407,870</b>	<b>\$380,604,600</b>	<b>\$524,012,470</b>	<b>\$373,164,772</b>	<b>\$150,847,698</b>	<b>\$35,280,514</b>	<b>\$(35,280,514)</b>	<b>\$158,347,705</b>

#### Impact of Budget decisions on the City's financial position:

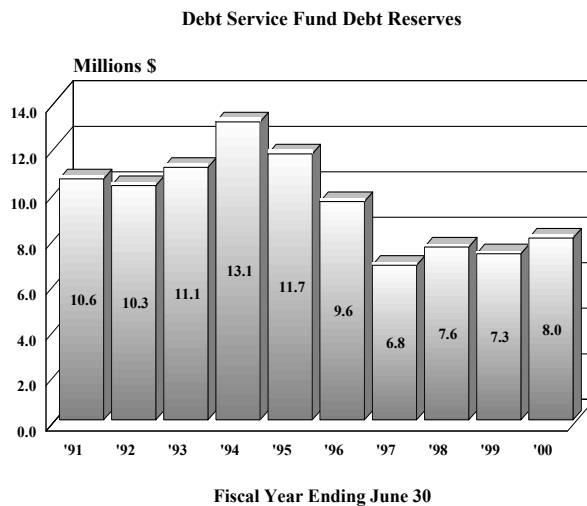
The tables above give the estimated Operating and Capital Improvement fund balances for both fiscal years of the biennium. Respectively for each year, beginning balances are \$144.9 million and \$143.4 million with an ending fund balance of \$158.3 million for the biennium. Fund reserves continue to provide available resources for our "pay-as-you-go" capital financing and the strategic opportunity to fund projects that have the most value to Tempe citizens.

Notes: 1) Revenues are net of Capital Improvement fund balances; 2) Expenditures include transfer to Community Facilities District.

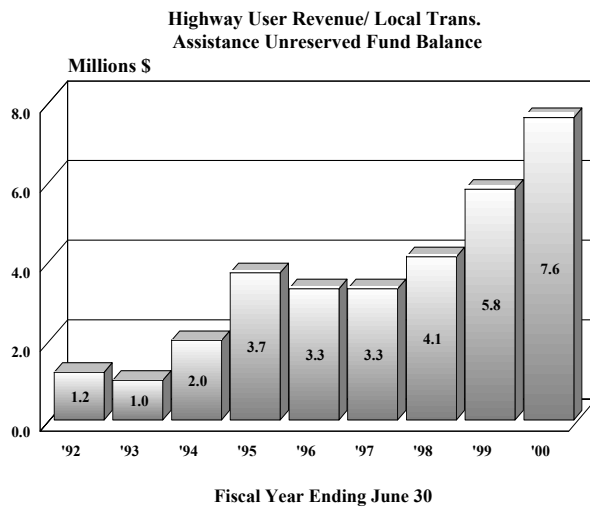
## General Governmental Funds: Fiscal Year–End Fund Condition–Ten Year Trend



Over the ten year period, fund balances in the General Fund have improved as a result of economic development and sales tax growth. At FYE 2000, the General Fund unreserved fund balance was \$38.6 million. As a working guideline, fund balance coverage for the General Fund is maintained at a minimum of 25% of General Fund revenue.

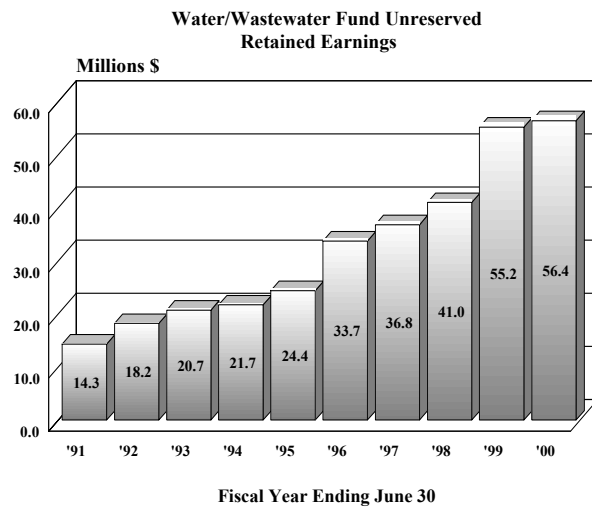


Debt Service reserves were established a number of years ago to address increasing debt service payments without impacting future operating budgets. As part of the City's debt strategy, we will continue the planned draw down of debt reserves over the next several years.

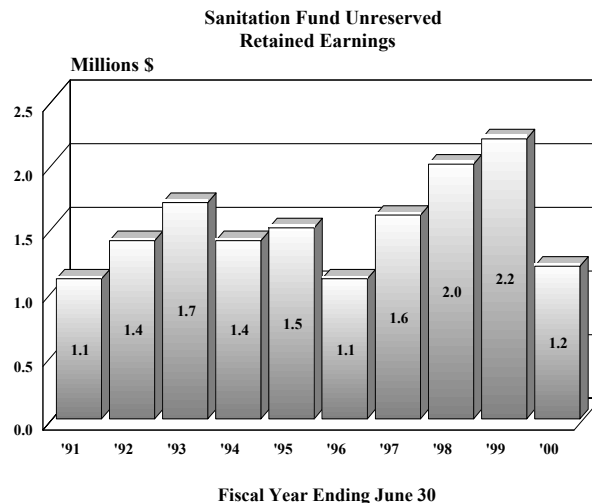


Transportation fund balances hit a low in FY 1993 due to streets infrastructure demands and an abrupt decline in state-shared revenues when the state Legislature shifted funds from cities and towns to the operating budget of the state Highway Patrol. Fund balances have gradually recovered as state-shared revenue growth has resumed a modest pace, coupled with reduced infrastructure spending.

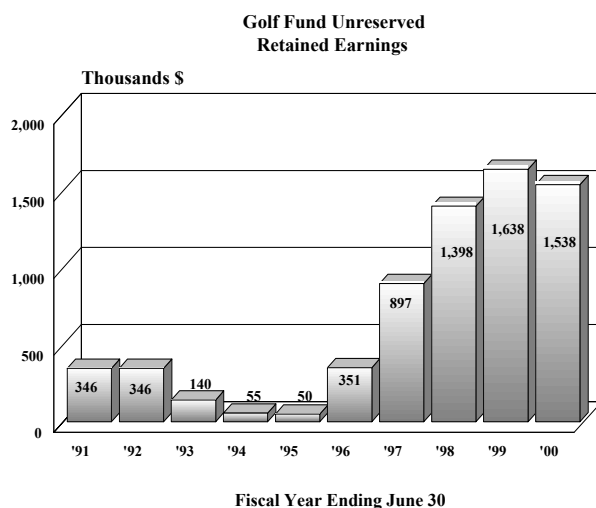
## Enterprise Funds: Fiscal Year-End Fund Condition-Ten Year Trend



Unreserved retained earnings increased in FY 1995-96 largely as a result of the City's improved equity position in the regional wastewater treatment plant, customer growth, and debt refinancing savings. The increase in FY 1998-99 is due to the reduction of an asset replacement reserve resulting in increased unreserved retained earnings. Future drawdowns are planned for pay-as-you-go financing of capital improvements.



Unreserved retained earnings for Sanitation have recovered over the past two years with a 3% residential rate increase occurring in 1998. A planned drawdown of unreserved retained earnings occurred in FY 99-00. The fund maintains a targeted balance guideline of 10% of anticipated sanitation revenue.



Improved attendance in FY 1998-99 at both golf courses the last few years has provided a reserve to fund current and future capital improvements. Slow growth and increasing expenses had caused the steady decline in reserves. In FY 1992-93, improvements at Ken McDonald Golf Course closed part of the course (9 holes) for a period of time.



### Total Operating Budget and Debt Service

Budget Data	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
Operating Budget	\$195,334,592	\$222,169,282	\$234,015,370	\$240,461,459
Cost Per Capita	\$1,231	\$1,386	\$1,444	\$1,468
% Change (cost per capita)		13%	21%	2%
Debt Service*	13,569,502	11,431,252	14,355,963	13,542,471
Cost Per Capita	\$86	\$71	\$89	\$83
% Change (cost per capita)		(17%)	24%	(7%)

\* Tax-Supported

### Total Operating Revenue by Source

Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
General Fund	\$127,587,100	\$132,785,700	\$131,979,100	\$136,802,400
Debt Service Fund	11,338,500	12,299,900	12,567,800	13,552,200
Transportation/Transit Funds	43,835,100	46,685,500	45,818,000	47,084,900
CDBG/Section 8 Funds	7,014,200	7,953,400	7,633,800	7,705,900
Rio Salado Funds	2,406,600	1,151,500	1,050,300	1,051,100
Performing Arts Funds	0	1,928,000	5,604,000	5,874,000
Enterprise Funds	58,407,500	55,906,900	55,775,800	55,723,100
<b>Total</b>	<b>\$250,589,000</b>	<b>\$258,710,900</b>	<b>\$260,428,800</b>	<b>\$267,793,600</b>

### Staffing Summaries Citywide: Full-Time Authorized Positions

Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
Total Personnel	1,628	1,661	1,727	1,734
Employees/1,000 Population	10.3	10.4	10.7	10.6
% Change (Emp/1,000 Population)		1.0%	2.9%	(0.9)%



The citywide operating budget for FY 2001-02 totals \$234 million and for FY 2002-03 totals \$240 million. These operating budget amounts represent 5.3% and 2.8% growth respectively for the two fiscal years. This includes \$7.6 million for Community Development Block Grant and Section 8 Housing grant funding. The number of full-time employees for FY 2001-02 totals 1,727, a 4.0% increase from the prior year, and 1,734 in FY 2002-03, representing a 0.4% increase.

General Fund appropriations grew by 5.9% and 4.7% over both fiscal years. This primarily reflects funding for new employees to address workload increases in the Police Department, Development Services, Council priorities in Community Services, and increases for employee market adjustments and inflation.

Much of the operating budget growth is due to an increase in funds for Police and Community Services reflecting the City's continued commitment to public safety, youth and social services programs.

### ◆ **General Fund**

#### **Fund Structure Description**

The General Fund is the general operating fund of the City and is used to account for all financial activity not reflected in another fund.

#### **Major Services**

The General Fund consists of the following major functions:

- Administrative Services
- Police
- Fire
- Management/Financial Services
- Legal Services
- Community Services
- Development Services
- Engineering
- Facility Maintenance

#### **Revenue Structure**

Major revenue sources for the two fiscal years are: Local Sales Taxes, Intergovernmental Revenues, Charges for Services, Property Taxes, Fines and Forfeitures and All Other.

The following table depicts the major revenue sources as percentages of General Fund revenue.

#### **Local Sales Taxes and Intergovernmental**

<b>Major Revenue Sources</b>	<b>FY 2001-02</b>	<b>FY 2002-03</b>
Local Sales Taxes	54.9	55.4
Intergovernmental	26.7	27.1
All Other	4.4	3.7
Charges for Services	5.4	5.2
Property Tax	5.3	5.2
Fines & Forfeitures	3.3	3.4

revenues represent the two major revenue sources in the General Fund. Together they comprise 81.6% or \$106.7 million of the total \$132.0 million FY 2001-02 General Fund revenues. In FY 2002-03 the two sources are estimated to account for \$112.3 million or 82.5% of total General Fund revenues.

#### ■ **Local Sales Taxes**

Local sales tax revenues are estimated at \$71.8 million in FY 2001-02 and \$75.2 million in FY 2002-03, derived from a 1.2% City sales tax. (The estimated sales tax collections amount is based on the non-Transit and Performing Arts portion of the City sales tax rate of 1.8%. The remaining 0.6% is restricted to transit purposes and performing arts purposes and is reflected in their respective funds). Over half of the sales tax revenue comes from retail sales, with the remainder collected primarily from rental payments, utility and telecommunication payments, restaurant and bar sales and contracting sales.

While Tempe's single largest revenue source is highly responsive to changes in economic activity, the diverse and robust nature of the City's economy has provided for steady annual increases.

#### ■ **Intergovernmental Revenue**

Revenues in this category are derived from three sources of state-levied revenue sharing: the state sales tax, the state income tax, and vehicle license taxes. Intergovernmental revenues represent \$35.2 million or 26.7% in FY 2001-02 and \$37.1 million or 27.1% in FY 2002-03 of total General Fund revenues.

The primary allocation basis for state revenue sharing is each city or town's relative share of the state's population of all incorporated cities and towns. Tempe's allocations are based on a 2000 U.S. Census.

##### *State sales tax*

Estimated state sales tax distributions total \$12.7 million in FY 2001-02 and \$13.4 million in FY 2002-03. Tempe's allocation is based on its share of total statewide incorporated population (currently 5.0%). The size of the overall pool of funding available for distribution is based on state statute, which provides for the allocation of 8.9% of transaction privilege (sales) tax revenue to cities and towns. The total statewide sales tax pool is estimated to be \$323.3 million.

##### *State income tax*

Total estimated state-shared income tax revenues to be distributed to Arizona cities and towns for the two fiscal years are \$421.9 million and \$452.6 million respectively. Tempe's share is estimated at \$16.5 million and \$17.7 million for the biennium. The local share was reduced to 15.0% in FY 2000-01.

##### *Vehicle license tax*

The remaining state-shared revenues of \$5.6 million in both years derive from vehicle license taxes. Twenty-five percent of the net revenues collected for the licensing of motor vehicles by a county is distributed to incorporated towns and cities within the county. Tempe receives a share of the vehicle

license tax collections based on its population in relation to the total incorporated population of the county.

#### ■ **Charges for Services**

Charges for services represent \$7.1 million or 5.4% in FY 2001-02 and 5.2% in FY 2002-03 of total General Fund revenues. Recreation and social services programs represent \$3.8 million. By Council policy, certain recreation and social service programs operate on a full or partial cost recovery basis. Other Charges for Services revenues derive from development-related charges for building and trade permits, planning and zoning fees, and engineering fees.

#### ■ **Property Tax**

Tempe's property tax rate is \$1.35 per \$100 of assessed valuation, consisting of a primary tax rate of \$0.53 per \$100 of assessed valuation and a secondary tax rate of \$0.82 per \$100 of assessed valuation. Only the primary levy goes to the General Fund. While there is no restriction on its usage, the primary levy is limited by state law to a 2% annual increase plus any amount generated by new construction. The primary levy is estimated at \$7.0 million in FY 2001-02 and \$7.1 million for FY 2002-03.

#### ■ **Fines and Forfeitures**

Fines and Forfeitures represent \$4.3 million in both years of the biennium. Traffic Fines represent \$1.4 million or 31.8% in FY 2001-02 and 31.9% in FY 2002-03 of total fines collected. Rounding out the fines and forfeiture revenue sources is defensive driving school fees, parking fines, and criminal fines, along with delinquent collections and default penalties.

#### ■ **All Other**

Other General Fund revenue sources include Interest Income, Transient Lodging (Hotel/Motel Bed) Tax, Franchise Fees, Licenses and Permits, the Salt River Project Payment In-Lieu of Property Taxes, and other miscellaneous revenue.

## Expenditure Structure

The General Fund operating budget for FY 2001-02 totals \$125.4 million and \$131.7 million for FY 2002-03. Major expenditure categories are: Personal Services, Fees and Services, Materials and Supplies, Capital Outlay, and All Other.

The following table depicts the major expenditure categories as a percentage of total appropriations. The General Fund consists of all City operations with the exception of Enterprise Fund operations (Water, Sanitation, and Golf), Transportation (LTAF and HURF), Transit, Rio Salado and Debt Service.

Major Expenditure Categories	FY 2001-02	FY 2002-03
Personal Services	79.6%	78.1%
Fees and Services	14.8%	13.8%
Materials and Supplies	5.5%	5.1%
All Other	0.1%	3.0%

For FY 2001-02, Personal Services (salaries, wages and benefits) account for \$99.8 million or 79.6% of the total General Fund operating budget. The remaining appropriations consist of \$18.6 million or 14.8% for Fees and Services, \$6.9 million or 5.5% for Materials and Supplies, 0.1% for Capital and All Other.

In FY 2002-03, General Fund appropriations for Personal Services consist of \$106.6 million or 78.1% of the total budget, \$18.8 million or 13.8% for Fees and Services, \$6.9 million or 5.1% for Materials and Supplies, and 3.0% for Capital and All Other.

### ■ Personal Services

Since most personnel and major functions of city government are located within the General Fund, it is not surprising that salaries and wages represent such a significant proportion of total expenditures. Respectively for the two fiscal years, salaries and wages account for \$79.0 million of the \$99.8 million and \$87.9 million of the \$106.6 million in total General Fund appropriations. Personal

Services will continue to represent the major portion of fund expenditures regardless of any policy changes over the next five years. Fringe benefits represent \$20.8 million and \$18.7 million respectively of the two fiscal years.

### ■ Fees and Services

For the two fiscal years, this budget category comprises 14.8% (FY 2001-02) and 13.8% (FY 2002-03) of total General Fund appropriations. The largest portion of this expenditure category is for contracted services, accounting for 24.6% and 23.4% respectively of total Fees and Services. Contracted services make up an increasing share of Fees and Services costs due in part to the City's practice of contracting for services rather than adding personnel. Utilities (electricity, water, refuse, and sewer) comprise the second largest share (16.9% and 17.3%) of total Fees and Services. Unlike most of the Fees and Services accounts, utility expenses are expected to increase somewhat higher than inflation. Other major Fees and Services expenditures for FY 2001-02 include software maintenance agreements (6.2%), equipment rental and repair (8.6%), telephone service (4.0%), and county jail costs (3.8%). For FY 2002-03 major expenditures include software maintenance agreements (8.0%), equipment rental and repair (5.2%), telephone service (4.2%), and county jail costs (4.1%).

### ■ Materials and Supplies

Totaling \$6.5 million in each fiscal year, expenditures for Materials and Supplies respectively account for 5.5% and 5.1% of the total General Fund operating budgets. In each fiscal year 15.6% (\$1.0 million) of these expenditures derive from motor vehicle parts, fuels, and lubricants. The remainder is for library bookstock, clothing allowances, general office supplies, minor equipment, and miscellaneous supplies. Increases in Materials and Supplies over the next five years are expected to be driven largely by inflation.

### ■ Capital Outlay/All Other

Capital Outlay accounts for \$3.4 million or 2.3% in FY 2001-02 and \$1.7 million or 2.5% in FY 2002-03 of the total General Fund operating budgets. Respectively over the next two fiscal years, funding for replacement and new equipment (primarily automobiles and trucks) constitutes the largest portion, with computer replacement making up 15.2% and 21.8% of total Capital Outlay. Other major Capital Outlay budgeted items include radios, turf equipment and office equipment. Within the All Other category are budgeted amounts for contingencies, travel, contributions to community service organizations and the local convention and visitors bureau, and payment to the county for animal control.

### ■ Operating Revenues and Expenditures

Revenue growth in FY 1993-94 and FY 1994-95 averaged over 20% annually, primarily the result of a voter-approved increase in the sales tax rate from 1.0% to 1.2% in September 1993. A strong and increasingly diversified local economy has contributed to continued growth in revenues, producing 19.7% average annual revenue growth over the past five years. However, we expect this level of growth to slow as the national and state economy enter a period of predicted slower growth. General Fund expenditure growth over the past five years has averaged just under 10% annually. In addition to the cost of inflation, spending has increased to address high priority areas such as public safety, recreation, and development services.

Operating surpluses have been utilized for "pay-as-you-go" financing in the Capital Improvements Program. This year and throughout the forecast period "pay-as-you-go" financing for the Capital Improvements Program is expected to average \$7.1 million per year for the biennium, while the impact of capital improvement projects on the operating budget approximates \$750,000 per year. The projected fund balance for the General Fund at the end of FY 2000-01 is \$39.2 million.

### ◆ Program Budget Summary

Fiscal Year	Revenues (\$) Millions	Expenditures (\$) Millions
1991-92	62.0	60.7
1992-93	64.5	62.1
1993-94	75.6	70.8
1994-95	94.4	70.8
1995-96	99.9	78.2
1996-97	104.2	81.1
1997-98	108.2	91.2
1998-99	118.3	92.5
1999-00	124.0	105.1
2000-01 est.	132.7	118.5

The following section describes the allocation of funding for the major functional, or program areas of Tempe city government. The General Fund for FY 2001-02 totals \$125.4 million, an increase of 11.5% over FY 2000-01. The FY 2002-03 appropriations increased by 4.9% to 131.6 million. Most General Fund spending growth is related to the addition of positions and contracted services funding to address workload factors and Council priorities, plus increases for inflation.

As the table on the following page depicts, Public Safety (police and fire protection) comprises the largest share of the biennial General Fund budgets. Funding for Public Safety increased by the largest dollar amount among the program areas, reflective of a high Council priority.



### ■ General Services Program

General Services appropriations account for 22.7% and 22.6% of the General Fund budgets in FY 2001-02 and FY 2002-03 respectively. This area includes appropriations for Mayor and Council, City Manager, City Clerk, Human Resources, City Attorney, Equipment Management, Information Technology, Accounting, Purchasing, Risk Management, and other programs. Funding for General Services increased in FY 2001-02 to \$28.5 million, a \$4.5 million increase over FY 2000-01. The FY 2002-03 appropriations increased by \$5.7 million to \$29.7 million over FY 2000-01. These increases are due primarily to technology related and personnel costs.

### ■ Development Services Program

In both fiscal years, approximately 7% of the General Fund appropriations are earmarked for Development Services. This program area includes the functions of building safety inspections, planning and zoning, and public works engineering. The FY 2001-02 \$8.8 million budget represents a 1.6% increase, while the FY 2002-03 \$9.2 million budget reflects a 4.9% increase. This is primarily due to new FTE positions and additional staff to manage workload associated with redevelopment and neighborhood development.

### ■ Public Safety Program

Public Safety continues to represent the largest appropriations area, accounting for 49% or \$61.9 million in FY 2001-02 and \$65.1 million in FY 2002-03 of the total General Fund budgets. It includes appropriations for Police, Fire, and City Court. Increases in the Public Safety program are driven by increased Police staff and absorption of previously grant funded positions.

### ■ Community Services

This area consists of all Community Services divisions (Parks and Recreation, Library, Social Services, Cultural Services and Historical Museum), along with Parks Maintenance, Baseball Facilities, Golf Courses, and Facility Services.

General Fund appropriations for Community Services represent 24% or \$24.9 million in FY 2001-02 and \$25.7 million in FY 2002-03.

### ■ Environmental Health Program

With most of our Environmental Health appropriations residing in the Enterprise Funds, this area represents just 1.0% in FY 2001-02 and 1.5% in FY 2002-03 of the General Fund appropriations and consists of Field Services Administration and Environmental Management. Inflationary related costs are the primary driver of increases in this area.

Program	FY 2000-01	FY 2001-02	FY 2002-03
General Services	\$24,011,195	\$28,534,230	\$29,696,362
Development Services	8,627,205	8,768,072	9,198,997
Public Safety	56,190,145	61,873,325	65,092,110
Community Services	20,146,736	24,935,850	25,681,669
Environmental Health	1,629,516	1,315,803	1,989,267
Transportation	1,850,000	0	0
<b>Total General Fund Operating Expenditures</b>	<b>\$112,454,797</b>	<b>\$125,427,279</b>	<b>\$131,658,405</b>

## ◆ Transit Fund

### Fund Structure Description

The Transit Fund is a Special Revenue fund established to account for the receipt and expenditure of the City's transit tax and the one-third commitment of Lottery proceeds for mass transit.

### Major Services

This fund provides for:

- Planning and Design
- Operations
- Procurement
- Transit Community Outreach and Marketing

### Revenue Structure

Transit Fund revenues come primarily from a ½ cent City sales tax to fund transit improvements and a one-third commitment of state Lottery proceeds for mass transit.

#### ■ Transit Tax

On September 10, 1996, the citizens of Tempe approved a ½ cent increase in the City sales tax to fund transit improvements. Proposition 400 limited the expenditure of the additional sales tax to improvements such as additional bus routes, alternative fuel buses, bus pullouts, and rail studies. For FY 2001-02, the transit tax is expected to generate \$29.2 million in revenue, or 83.3% of total Transit Fund revenues and FY 2002-03 is estimated at \$30.5 million or 84.4%.

#### ■ Lottery Proceeds

Per state statute (Arizona Revised Statutes §28-2502 (F)), a municipality with a population of 60,000 or more persons is required to spend one-third of its local transportation monies for public transportation each fiscal year. Total Lottery proceeds are expected to be \$932,300 in FY 2001-02 and \$901,600 in FY 2002-03, which represent a slight decrease, a trend that is likely to continue as Tempe's population growth

rate remains below those of other cities. The downturn in total Lottery proceeds translates into a gradual decline in the one-third commitment of Lottery monies available for public transportation. The commitment is estimated for the next two fiscal years at \$307,700 and \$297,500 respectively.

### Expenditure Structure

The Transit Fund includes all personnel in Transit Administration, Planning and Operations. Major expenditures in the Transit Fund include: Fees and Services, Personal Services, Internal Services, Contingency and Capital Outlay/All Other.

The following table depicts the major expenditure categories as a percentage of the total transit budget.

#### ■ Fees and Services

The largest expenditure in the Transit Fund is

Major Expenditure Categories	FY 2001-02	FY 2002-03
Fees and Services	77.9%	86.0%
Capital Outlay/All Other	10.3%	0.5%
Personal Services	7.1%	8.6%
Internal Services	2.9%	3.1%
Contingency	1.8%	1.8%

for Fees and Services, specifically funding for local and City of Phoenix transit routes and Dial-A-Ride services. In FY 2001-02, Fees and Services are estimated to account for \$19.5 million or 77.9% and FY 2002-03 is estimated at \$21.1 million or 86.0% of the Transit Fund operating budget.

#### ■ Capital Outlay/All Other

Within this category are budgeted amounts for capital outlay, debt service, travel and other contributions. Debt service represents 95% of expenditures in FY 2001-02.

### ■ Personal Services

Personal Services account for 7.1% of the total FY 2001-02 budget, or \$1,772,002 and 8.6% or \$2,115,398 of the FY 2002-03 budget.

### ■ Contingency

The contingency account remains constant for each of the two fiscal years at \$449,232. This amount represents 1.8% in FY 2001-02 and FY 2002-03. This funding has been set aside for vehicle replacement and unanticipated expenses.

### ■ Internal Services

Indirect cost allocations to the Transit Fund account for 2.9% or \$731,522 of the FY 2001-02 budget and 3.1% or \$762,772 of the FY 2002-03 budget. This amount represents the Transit Fund's share of certain administrative costs funded by the General Fund.

### ■ Capital Projects

Although not a part of the operating budget, funding for capital projects constitutes a significant portion of the total financial program in Transit. A large portion of each year's operating surplus forecast here will be applied towards new and replacement buses, a new Transit Center, and other related capital projects.

## ◆ Transportation Funds

### Fund Structure Description

The Highway User Revenue Fund (HURF) and the Local Transportation Assistance Fund (LTAF) are Special Revenue funds that comprise the City's Transportation funds. They have been established to account for the receipt and expenditure of Tempe's allocation of state-shared Highway User taxes and state Lottery funds.

### Major Services

- Studies and Design
- Operations
- Traffic Lights and Signal System
- Street and Field Maintenance
- Planning

### Revenue Structure

Transportation revenues are derived primarily (94.2% in FY 2001-02 and 94.5% in FY 2002-03) from state-shared Highway User taxes. State Lottery proceeds account for 5.8% of FY 2001-02 Transportation revenues and 5.5% in FY 2002-03.

### ■ Highway User Tax

Highway User revenues come primarily (55%) from the fuel tax (currently \$0.18 per gallon), with the remainder from motor carrier fees (16%), vehicle license taxes (14%), vehicle registration fees (11%), and other transportation-related fees (4%). Estimates for the total pool of HURF revenues to be shared by cities will be \$290.9 million in FY 2001-02 and \$306.6 million in FY 2002-03, with Tempe's share at \$10.2 million and \$10.4 million, respectively. Experience has shown, however, that state projections for HURF revenue have not proven reliable. In short, HURF revenues are subject to state policy changes, fuel sales, and population growth, all factors beyond the City's control. Pursuant to state statute, HURF monies can be used only for street and highway purposes, including right-of-way acquisition, construction, reconstruction, maintenance in the public right-of-way, and payment of debt service on highway and street bonds. HURF funds may not be used for transit or law enforcement programs. The outlook for HURF revenues is for gradually declining distributions to Tempe in FY 2001-02 as our relative share of total statewide population falls.

### ■ Lottery Proceeds

Lottery proceeds (Local Transportation assistance Fund or LTAF), including Powerball revenue, are expected to be \$932,300 in FY 2001-02 and \$901,600 in FY 2002-03, representing a slight decrease, a trend that is likely to continue as long as Tempe's population growth remains below other cities. The distribution of Lottery funds is based on population, with all cities and towns receiving at least \$10,000. A \$20.5 million minimum total distribution pool is guaranteed to cities and towns. State law limits the distribution pool to a maximum of \$23 million.

Cities benefit from Powerball revenues only after a minimum amount of receipts are first collected by the state. Pursuant to state law, after the state Lottery director determines that deposits to the state general fund from all Lottery revenues have reached \$21 million, a maximum of \$18 million is to be paid to the LTAF from Powerball revenues for distribution to cities, towns and counties. The \$18 million statewide pool is divided into county pools based on each county's market share of Lottery ticket sales. Actual distributions to cities and towns are based on their share of the incorporated population within the county.

Generally, proceeds can be used only for street and highway projects such as construction or reconstruction in the public right-of-way. However, for cities in counties with populations of 1,200,000 persons or more, 1/3 must be allocated to public transit (A.R.S. §28-2502 (F)). Thus, the forecast reflects the transfer of funds from Transportation funds to the Transit Fund.

### ■ Maintenance of Effort

In addition to state-shared revenue sources, Transportation derives its remaining revenues from a "Maintenance of Effort" transfer from the General Fund. This transfer of locally-generated funding fulfills the statutory requirement placed on Arizona cities to maintain the expenditure of local revenue for

streets at a level computed as an average of local funds expended for any four of the fiscal years 1981-82 through 1985-86. That obligation is calculated at \$1,850,000 for both fiscal years.

### Expenditure Structure

Transportation funds include all personnel in Streets and Traffic Operations (Street/Field Maintenance). Major budgeted expenditures for the Transportation funds include: Debt Service, Personal Services, Internal Services, Utilities, Materials and Supplies, and All Other.

The following table depicts the major expenditure categories as a percentage of the total budget.

### ■ Personal Services

The largest budgeted expenditure in the Transportation Fund is Personal Services, which account for 40.2% or \$3.2 million in FY 2001-02

Major Expenditure Categories	FY 2001-02	FY 2002-03
Personal Services	40.2%	36.6%
Internal Services	28.9%	25.7%
Utilities	16.0%	13.6%
Materials and Supplies	7.1%	6.3%
Debt Services	3.7%	14.7%
All Other	4.1%	3.1%

and 36.6% or \$3.5 million in FY 2002-03 of the total Transportation budgets and will likely continue in that range for the next few years.

### ■ Debt Service

The expenditure in the Transportation funds for Debt Service amounts to \$300,000 in FY 2001-02 and \$1.4 million in FY 2002-03. Included in each budget year is a loan repayment to the Water/Wastewater fund. Debt Service will continue to be an expenditure in this fund for the next five years.

### ■ Internal Services and Utilities

Additional expenditure demands in the Transportation funds are for Internal Services and Utilities. Internal Services costs (communications, information systems and vehicle maintenance) represent 28.9% or \$2.3 million of the FY 2001-02 budget and 25.7% or \$2.4 million of the FY 2002-03 budget. Utility costs (electricity for street lights and traffic signals) account for another 16.0% and 13.6% or \$1.3 million for the biennium.

The remaining expenditures are for Capital Outlay, Materials and Supplies and Contracted Services. These costs will be driven largely by inflation over the next five years.

### Summary

Expenditures for Transportation increased from \$8.1 million in FY 2001-02 to an estimated \$9.5 million in FY 2002-03. The FY 2001-02 adopted budget does not include any appropriation of LTAF funding in the Transportation Fund. Rather, the LTAF funding will be allowed to accumulate in the fund for future uses.

With population being the primary determinant for the distribution of state-shared HURF and Lottery revenues, Tempe's share decreased approximately \$1 million dollars from FY 2000-01 to 2001-02. Total Transportation revenues are projected to increase by 1.6% to \$11.0 million by FY 2002-03. Although we are estimating some growth in revenue, that growth will be minimal at best.

### ◆ Debt Service Fund

#### Fund Structure Description

A Debt Service Fund is maintained to receive dedicated revenues used to make principal and interest payments on the City's general obligation debt, except the debt service accounted for in Special Revenue and Enterprise Funds.

#### Revenue Structure

Debt Service Fund revenues are derived from the secondary property tax and the Salt River Project (SRP) Payment In-Lieu of Property Taxes. The property tax accounts for 94.8% in FY 2001-02 and 95.4% in FY 2002-03 of the Fund's revenue. Revenues from these sources can only be used to retire debt.

Debt Service revenue trends are a function of changes in assessed valuation and the City's secondary property tax rate. While changes in assessed valuations represent the effects of the marketplace and assessor methodology, the secondary rate is determined by City policy.

The secondary property rate for both fiscal years is \$0.82 per \$100 of assessed valuation and is expected to generate \$11.9 million in FY 2001-02 and \$12.9 million in FY 2002-03. The City's property tax is levied each year on or before the third Monday in August based on the full cash value of property from the previous January 1 as determined by the Maricopa County Assessor. Additional Debt Service revenues in each fiscal year include \$654,800 and \$626,100 from the SRP Payment In-Lieu of Property Taxes.

Our estimate of FY 2001-02 secondary property tax collections was based on the commitment of the City to hold the overall property tax rate (primary and secondary) property tax rate to \$1.35 per \$100 of assessed valuation. Consistent with the City's debt management plan, we plan to issue the following debt:

Over the next six-year capital program, we plan to issue \$72 million of tax-supported general obligation bonds.

#### Expenditure Structure

Expenditures in this fund are confined to principal and interest payments on voter-approved bonded indebtedness. To keep these costs in check, the Council adopted a long-

range debt management plan, which is updated annually based on population growth, tax base growth, and current levels of general operating costs. Projected outstanding long-term general obligation bonds at July 1, 2001 totaled \$118.2 million, including \$70.9 million in Water/Wastewater bonds (not repaid by general tax revenues).

### Summary

Projected revenues for FY 2001-02 total \$12.6 million, a 2.2% increase from actual FY 2000-01 collections. FY 2002-03 projected revenues total \$13.6 million or a 7.8% increase over the prior fiscal year. Expenditures for FY 2001-02 are estimated at \$11.2 million and \$11.5 million in FY 2002-03. FY 1998-99 marked a reversal in the pattern of Debt Service Fund expenditures exceeding revenues, although previous shortfalls were fully covered by Debt Service reserves that had been accumulated for the purpose of funding lump sum principal payments. At least in the short term, assessed valuation growth should provide sufficient revenues to fund the City's debt service requirements.

### Debt Management Criteria

In response to the necessity to incur debt to finance capital projects, the City commissioned a debt capacity study in 1988 to determine the proper level of tax-supported debt as represented across key debt criteria. As a product of the debt capacity study, the City developed a Debt Management Plan (first released in March 1989) which has been updated annually. In keeping with the plan, the City has committed to debt criteria relating: (1) debt to full cash value; (2) annual debt service to revenues; and (3) debt per capita.

### Fund Structure

Outstanding tax-supported debt (property and excise taxes) is not to exceed 1.10% to 1.25% of the estimated full cash value. With outstanding tax-supported debt of \$118.2 million and estimated full cash value of \$8.9 billion, the

City's estimated debt to full cash value for FY 2001-02 is 1.33% and is projected to remain about the same at 1.34% by FY 2002-03.

Our debt service policy is such that annual tax-supported debt service is not to exceed 10%-

Tax-Supported Debt		
Bonds	FY 2001-02	FY 2002-03
General Obligation	\$12,000,000	\$12,000,000

15% of total general governmental revenue. In FY 2001-02, the estimated debt service to revenue ratio is 10.02% with \$15.6 million of annual tax-supported debt service and \$155.4 million of total governmental revenues. This is a favorable indicator of how the City's debt burden directly impacts financial operations and expenditure flexibility. The City's debt plan calls for outstanding tax supported debt per capita to be maintained within the range of \$700-\$800 per capita, with increases limited to no more than 50% within four years or 20% in one year. Our current indicator for July 2001 is \$751 per capita and is projected to increase to \$775 per capita by FY 2002-03.

### ◆ Community Development Block Grant/Section 8 Housing Funds

#### Fund Structure Description

The Community Development Block Grant Fund (CDBG) and the Section 8 Housing Fund are Special Revenue Funds, established to account for the receipt and expenditure of federal grant funding awarded to the city for redevelopment projects and rental subsidies for low income residents.

## Major Services

- Slum and blight removal (CDBG)
- Rehabilitation of owner-occupied housing (CDBG)
- Rent and utility subsidies (Section 8)

## Revenue Structure

The following table displays funding awarded to Tempe over the past 10 years. Both grants are awarded directly to the City from the federal government based on a funding formula which reflects such local factors as the percentage of people living in poverty, unemployment, population, the age of existing housing, and the need for housing.

FYE	CDBG	Section 8
1992-93	\$837,054	\$3,416,128
1993-94	2,325,740	3,630,121
1994-95	1,610,050	3,719,248
1995-96	1,980,305	3,846,066
1996-97	2,700,015	3,861,578
1997-98	2,915,622	3,843,309
1998-99	2,399,237	4,068,842
1999-00	2,390,100	4,624,100
2000-01*	2,967,700	4,985,700
2001-02*	2,637,600	4,996,200

## Expenditure Structure

Pursuant to federal requirements, most CDBG and Section 8 funding is expended on property rehabilitation and rental subsidies. In FY 2001-02, 10.8% is earmarked for salaries and benefits, another 8.4% allocated to contingencies and miscellaneous expenses, and in FY 2002-03, 11.7% is earmarked for salaries and benefits, with another 8.7% allocated to contingencies and miscellaneous expenses.

## Internal Services

Internal Services costs for information systems, communications, vehicle maintenance, and indirect charges account for \$4.6 million or 11.1% of FY 2001-02 Water/Wastewater expenses and \$4.8 million or 11.7% in FY 2002-03.

## Water/Wastewater Fund

### Fund Structure Description

The Water/Wastewater Fund is a self-supporting enterprise fund used to account for water and wastewater treatment operations, including debt service. It is financed and operated similarly to a private business and intended to recover costs through user charges. Revenues earned, expenses incurred, and/or net income is appropriated for Capital maintenance, public policy, management control, accountability, or other purposes. Other enterprise funds include the Sanitation and Golf Funds.

## Major Services

This budget provides for:

- Water/Wastewater Administration
- Water Resource Management
- Water Conservation
- Water Quality
- Transmission & Collection
- Technical Services
- Wastewater Reclamation
- Environmental Services
- Customer Services
- Irrigation

## Revenue Structure

User fees account for 91.4% or \$39.4 million of the \$43.1 million in total fund revenues in FY 2001-02 and 92.1% or \$39.5 million in FY 2002-03.

Major Expenditure Categories	FY 2001-02	FY 2002-03
Water and Irrigation User Fees	58.1%	58.5%
Wastewater User Fees	33.3%	33.6%
Interest Income	5.7%	5.0%
All Other	2.9%	2.9%

#### ■ Water and Irrigation User Fees

Water and irrigation user (consumption) fees provide \$25.0 million or 58.1% of the total Water/Wastewater Fund revenue in FY 2001-02 and \$25.1 million or 58.5% in FY 2002-03. This revenue amount reflects an estimated 43,000 accounts for drinking water and 925 irrigation water accounts.

#### ■ Wastewater User Fees

Over 37,000 Wastewater Service accounts are estimated to produce \$14.4 million or 33.3% in FY 2001-02 and \$14.4 million or 33.6% in FY 2002-03 of the total user fee revenues. Residential wastewater charges are largely driven by water consumption in that monthly billings are based upon a three month Winter average consumption.

#### ■ Interest Income/All Other

Cash balances in the Water/Wastewater Fund are expected to generate \$2.5 million in Interest Income during FY 2001-02 and \$2.1 million in FY 2002-03, or 5.7% and 5.0% of the Fund's total revenues respectively. Other sources of fund revenues include a loan repayment from the General Fund, land and building rental fees, delinquent payment charges, and miscellaneous fees and charges.

### Expenditure Structure

Total estimated operating expenses for FY 2001-02 are \$41.5 million and \$41.3 million in FY 2002-03. Together, Debt Service, Personal Services and Wastewater Plant Regional Operating Expenses represent 64.8% and 64.9% of the total operating expenses respectively for the two fiscal years.

The table above shows the composition of fund expenditures earmarked for Debt Service,

Major Expenditure Categories	FY 2001-02	FY 2002-03
Debt Service	34.6%	32.8%
Personal Services	20.6%	21.8%
All Other	16.4%	15.6%
Internal Services	11.1%	11.7%
WW Regional Exp.	9.6%	10.3%
Electricity and Water	7.7%	7.8%

Personal Services, Wastewater Plant Regional Operating Expenses, Internal Services, Electricity and Water, and All Other.

#### ■ Debt Service

Debt Service accounts for 34.6% of total estimated expenses for FY 2001-02 and 32.8% for FY 2002-03, indicative of the capital intensive nature of a water/wastewater operation.

#### ■ Personal Services

Personal Services represent \$8.5 million or 20.6% in FY 2001-02 of Water/Wastewater operating expenditures and \$9.0 million or 21.8% in FY 2002-03. For FY 2001-02, salaries and wages account for 80.5% of the total Personal Services budget, followed by health insurance at 10.4%, FICA at 6.1%, retirement at 2.2%, and other 1.2%. For FY 2002-03, salaries and wages account for 80.5% of the total Personal Services budget, followed by health insurance at 10.7%, FICA at 5.8%, retirement at 2.2%, and other 1.2%.

Re-engineering efforts and competitiveness studies conducted from FY 1998-99 through FY 2000-01 have resulted in the elimination of 11 full-time positions.

#### ■ Wastewater Plant Regional Operating Expenses

Tempe participates in an intergovernmental agreement for the construction, operation, and maintenance of jointly used facilities, including the 91<sup>st</sup> Avenue Wastewater Treatment Plant, Salt River Project Outfall Sewer and the Southern Avenue Interceptor. The City pays for upgrades based on relative sewage flows and strengths.



Expenses associated with the 91<sup>st</sup> Avenue Plant represent \$4.0 million or 9.6% of the FY 2001-02 total and \$4.3 million or 10.3% in FY 2002-03. Excess sewer capacity will continue to be purchased to accommodate increasing flow demand. Planning and cost-benefit assessments are currently underway to estimate the costs associated with additional sewage treatment capacity and available alternatives.

#### ■ **Electricity and Water**

Utilities comprise a major expense within this fund, as substantial electricity and water is required to provide these services. For FY 2001-02, electricity and water are budgeted at \$3.2 million, or 7.7% of total expenses and \$3.2 million or 7.8% in FY 2002-03.

#### ■ **All Other**

Other major budgeted expenses include chemical supplies, contingencies, water quality testing and contracted services.

#### **Summary**

FY 2001-02 estimated operating expenses for the Water/Wastewater Fund are \$41.5 million, an 11.0% increase over FY 2000-01 expenses. Tempe's shared cost to operate the 91<sup>st</sup> Avenue Wastewater Treatment Plant is expected to decrease slightly through FY 2001-02, then increase again in FY 2002-03. Although debt service expense increased in FY 2001-02, overall expenditure growth was held down by re-engineering efforts and competitiveness studies conducted by the Water Management Division.

Revenues for FY 2001-02 and FY 2002-03 are projected to be \$43.1 million, a 0.9% decrease from FY 2000-01 collections. In the two fiscal years, rate adjustments are planned to bring the Wastewater operation closer to full cost recovery. Sewer rate increases will continue the phased-in approach, adjusted to attain full cost recovery as customer charges are based upon water consumption and strength of discharge into the sewer system.

#### ◆ **Sanitation Fund**

#### **Fund Structure Description**

The Sanitation Fund is a self-supporting enterprise fund intended to recover all operating, maintenance, and debt service costs to provide residential, commercial, recycling and roll-off solid waste services.

#### **Major Services**

This enterprise fund provides for:

- Residential Collection
- Commercial Collection
- Recycling Collection
- Roll-Off Collection

#### **Revenue Structure**

Revenue in the Sanitation Fund derives almost exclusively from user fees for residential, recycling, commercial, roll-off, and uncontained solid waste service. These revenues are supplemented by a small amount of interest revenue. The collection and disposal of contained refuse represents the City's second largest enterprise operation.

#### ■ **Residential Solid Waste User Fees**

Residential solid waste user fee revenues are expected to amount to \$5.3 million in FY 2001-02 and \$5.4 million in FY 2002-03 or 50.8% and 50.6% of the total revenues for this fund. Residential customers pay \$11.75 per month and the number of active accounts total 34,612.

#### ■ **Commercial Solid Waste User Fees**

Commercial solid waste fees generate \$3.8 million in FY 2001-02 and \$3.9 million in FY 2002-03 or 36.7% of the total fund revenues in each fiscal year. Collection of commercial solid waste is provided by the City or a licensed collector. The number of active commercial accounts total 1,950. The number of commercial accounts is expected to remain steady but could decline as competition for commercial refuse services increases.

## Expenditure Structure

Sanitation estimated expenses for FY 2001-02 total \$10.5 million and \$10.7 million in FY 2002-03. Of the total FY 2001-02 operating expenses, Personal Services, Internal Services and Landfill Usage Charges comprise 83.5%. Capital Outlay accounts for 12.3%, while the remaining 4.2% is for Materials and Supplies, Utilities, and Miscellaneous Fees and Services. In FY 2002-03, Personal Services, Internal Services and Landfill Usage Charges comprise 86.8%. Capital Outlay accounts for 11.0%, while the remaining 2.2% is for Materials and Supplies, Utilities, and Miscellaneous Fees and Services.

Major Expenditure Categories	FY 2001-02	FY 2002-03
Personal Services	31.5%	32.7%
Landfill Usage Charge	26.2%	25.8%
Internal Services	25.8%	28.3%
Capital Outlay	12.3%	11.0%
All Other	4.2%	2.2%

### ■ Personal Services

As with many labor intensive operations, Personal Services represent a major expense in the Sanitation Fund, accounting for \$3.3 million or 31.5% of the \$10.5 million FY 2001-02 budget and \$3.5 million or 32.7% of the \$10.7 million FY 2002-03 budget. Respectively, for each of the fiscal years, salaries account for 77.1% and 76.7% of the total personal services budget, with health insurance accounting for 14.0% and 14.3%, and the remainder for other fringe benefits.

### ■ Landfill Usage Charges

Landfill usage charges remain relatively constant in each of the fiscal years at \$2.7 million and \$2.8 million, representing 26.2% and 25.8% of total expenses, respectively. Landfill tipping fees are projected to follow expected inflation rates, but environmental compliance requirements could impact these expenses beyond normal inflation.

### ■ Internal Services

Internal Service charges represent 25.8% or \$2.7 million of the FY 2001-02 budget and 28.3% or \$2.8 million of the total FY 2002-03 budget. Internal Service charges consist of data processing, communications, vehicle maintenance and related Internal Services charges. As might be expected in sanitation operations, a majority (55.5% and 55.9%, respectively) of total internal service costs derive from vehicle operating and maintenance expenses.

### ■ Capital Outlay/All Other

The Sanitation budget reflects appropriations of \$1.3 million and \$1.2 million in the two fiscal years for replacement of refuse trucks. Other budgeted expenses include recycling sorting fees of \$130,267 and \$131,588 each year.

## Summary

The Sanitation Fund budget of \$10.5 million for FY 2001-02 and \$10.7 million in FY 2002-03 represents a \$273,000 increase. This is due to costs associated with personal services.

For the biennium, revenues in this fund are expected to slightly increase to \$10.5 million and \$10.7 million reflecting a 1% increase over FY 2000-01 collections.

## ◆ Golf Fund

### Fund Structure Description

The Golf Fund is a self-supporting enterprise fund similar to the Water/Wastewater and Sanitation Funds, intended to recover all costs incurred through user charges. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance and debt service.

### Major Services

- Ken McDonald and Rolling Hills

- Golf Course Operations
- Pro Shops
- Restaurants

## Revenue Structure

For both years, revenues from greens fees account for 88.4% and 90.5% of golf course revenues, with the balance derived from a share of pro shops and restaurant revenues.

### ■ Greens Fees

Greens fees amount to \$1.9 million in FY 2001-02 and \$2.0 million in FY 2002-03 of the total Golf Fund revenues. Green fees are set by Council and were last adjusted in November 1999 when greens fees for nine holes for non-residents during the Summer increased by \$1. Projections in the two fiscal years are conservative to reflect the volatility that can result from weather conditions or fee changes.

Total rounds in FY 2000-01 for Ken McDonald (9 and 18 holes) and Rolling Hills (9 holes) were 90,207 and 108,036 rounds respectively.

### ■ Pro Shop and Restaurant Revenues

Pro shop revenues for Rolling Hills are paid to the City by the pro shop based on annual receipts. A minimum payment of \$42,000 a year is paid in advance or 10% of the gross annual receipts, depending on which is greater for the first 5-year term. The second 5-year term is \$46,000 or 11%, and the third 5-year term is \$50,000 or 12%. The restaurant concessionaire pays revenue of \$1,700 per month plus a 4% increase per year since July of 1987. During the first and second 5-year terms, pro shop revenues at Ken McDonald Golf Course are based on the greater sum of either \$10,000 a month, or the combined sum calculated annually of 20% of the gross cart rental revenues and 10% of the remaining gross receipts not including golf cart revenues. Restaurant revenue is paid to the City monthly, \$2,000 per month with a 3% increase per year thereafter.

## Expenditure Structure

A review of Golf Fund expenditures reveals that Personal Services and Fees and Services represent the major expenditure areas. Together they account for 61.2% in FY 2001-02 and 59.8% in FY 2002-03 of total Golf Fund expenses. The remaining expenses include Internal Services, Debt Service, Materials and Supplies, and Capital Outlay.

Major Expenditure Categories	FY 2001-02	FY 2002-03
Personal Services	45.0%	44.3%
Fees and Services	16.2%	15.5%
Internal Services	20.5%	15.5%
Materials and Supplies	9.0%	8.9%
Debt Service	6.4%	5.7%
Capital Outlay	2.9%	10.1%

### ■ Personal Services

Personal Services account for \$1,049,106 or 45.0% of FY 2001-02 appropriations and \$1,162,664 or 44.3% of FY 2002-03. Salaries and wages alone represent 78.2% and 77.9% respectively of total Personal Services, with health insurance and FICA accounting for an additional 18.6% and 18.9% for the two fiscal years. The remainder is for retirement and other benefits.

### ■ Fees and Services

Budgeted expenses account for 16.2% and 15.5% in each fiscal year and primarily fund irrigation water and electricity.

### ■ Internal Services

Golf operation internal service costs are primarily vehicle maintenance and fuel.

### ■ Capital Outlay/All Other

The large Capital Outlay increase in FY 2002-03 is for the purchase of replacement equipment, including a mower and dump truck.

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Other major budgeted expenses include  
Materials and Supplies and Debt Service.

### **Summary**

Golf Fund appropriations for the two fiscal years remain relatively constant at \$2.2 million and \$2.5 million, an increase of 1% over FY 2000-01.

Revenues are expected to generate \$2.2 million in both fiscal years. By financial policy, the City maintains an unrestricted optimum fund balance level of at least 10% of anticipated revenues. The FYE 2000 fund balance reserve was \$1,538,156 or 71% of estimated FY 2001-02 operating revenues.



Pursuant to City Charter, a five-year capital improvement plan is developed and updated annually. Due to the City's Biennial Budget, the City has transitioned to a six-year capital program to ensure the City has two distinct five-year capital programs contained within the Biennial Budget. The first and second year's funding requirements of the plan are included in the Capital Budget. The FY 2001-02 Capital Improvement expenditures total \$85,541,430, a 39.6% increase from the \$61.3 million CIP budget for 2000-01. Furthermore, FY 2002-03 Capital Improvement expenditures total \$130,638,313, a 52.7% increase from 2001-02. This increase in the budget results from the new light-rail component of the Transit program, as well as an expanded water/wastewater capital program. The two year capital program continues the City's emphasis on quality of life programs, maintenance of capital assets, streets and highways, and coordinated land use planning and development.

The Capital Budget is grouped into four major capital programs. These include \$31.4 million

in 2001-02 and \$16.7 million in 2002-03 for General Purpose capital programs; \$5.3 million and \$6.0 million for Transportation capital programs; \$28.4 million and \$61.8 million for Special Purpose capital programs; and \$20.4 million and \$46.1 million for Enterprise capital programs in each respective fiscal year.

Transit projects represent the single largest appropriation area in fiscal year 2001-02 accounting for 29% of the total Capital Budget. Other major project areas include \$22.9 million for General Governmental projects, \$15.0 million for Wastewater, and \$4.9 million for Water. In fiscal year 2002-03, Transit projects again represent the largest appropriation area of the total Capital Budget at 46%, following with Wastewater projects at \$29.8 million, and Water projects at \$13.9 million.

The following table shows a comparison of the 2001-02 and 2002-03 Capital Programs with the 2000-01 fiscal year's program.

**Comparison of Capital Programs**

<b>Capital Program</b>	<b>2000-01 Budget</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
<b>General Purpose</b>			
Police Protection	\$2,867,070	\$2,767,478	\$2,309,100
Fire Protection	2,250,489	1,636,391	1,700,000
Park Improvements	3,887,000	4,157,000	6,335,000
General Governmental	9,736,389	22,868,373	6,387,430
<b>Transportation</b>			
Transportation & R.O.W.	3,420,346	3,801,968	4,186,639
Sidewalks & Bikeways	338,625	33,000	410,000
Traffic Signals/Street Lighting	1,020,000	1,450,000	1,450,000
<b>Special Purpose</b>			
Transit	12,307,860	24,785,400	59,703,524
Rio Salado	4,923,083	3,643,070	2,082,620
<b>Enterprise</b>			
Golf	625,000	550,000	2,305,000
Water	6,783,000	4,879,000	13,923,000
Wastewater	12,400,000	14,969,750	29,846,000
<b>Total</b>	<b>\$61,256,862</b>	<b>\$85,541,430</b>	<b>\$130,638,313</b>

## General Purpose

The General Purpose capital projects include those for Police and Fire Protection, General Governmental, and Park Improvements. In aggregate, they represent \$31.4 million or 37% of the total Capital Budget and just over 48% of the tax-supported capital projects for fiscal year 2001-02. In fiscal year 2002-03, they represent \$16.7 million or 13% of the total Capital Budget and almost 20% of tax-supported capital projects. General Governmental projects account for \$22.9 million or 72.8% in FY 2001-02 and \$6.4 million or 38% in FY 2002-03 of the General Purpose Capital Budget with \$14.2 million earmarked for the new Arizona Cardinals Stadium over the next two years.

Park Improvements account for \$4.2 million or 13.2% in FY 2001-02 and \$6.3 million or 37.9% in FY 2002-03 of the General Purpose Capital Budget. Of this, \$4.7 million is for the North Tempe Multi-Generational Center, and \$1,025,000 for Phase II of the Tempe Sports Complex over the next two fiscal years.

Another \$2.7 million or 8.8% in FY 2001-02 and \$2.3 million or 13.8% in FY 2002-03 of the General Purpose Capital Budget is appropriated for Police Protection, with \$1.8 million budgeted for a new Criminal Justice Center, and \$778,000 for police main building security modifications.

The remaining portion of the General Purpose Capital Budget provides continued funding for the Downtown Fire Station and maintenance facility and Fire Station #2 upgrades.

Funding for General Purpose capital improvements comes primarily from General Obligation Bonds and Operating Funds. The

remaining sources of funds will be financed from outside revenues and capital project fund balances. In FY 2001-02, outside revenue is the primary source of funds for General Purpose projects.

## Transportation

The Transportation Capital Budget consists of projects for Street Improvements, Interstate and State Highways, Traffic Signals, and Sidewalks and Bikeways, which account for \$5.3 million or 8.1% in FY 2001-02 and \$6.0 million or 7.2% in FY 2002-03 of the total Capital Improvements Program Budget. Funding for Transportation capital projects is derived primarily from General Obligation Bonds and Operating Funds.

Street Improvements represent \$3.8 million or 71.9% in FY 2001-02 and \$4.2 million or 69.2% in FY 2002-03 of the total Transportation Capital Budget consisting of monies to reconstruct and/or renovate local and major streets.

Traffic Signal and Street Lighting appropriations account for an additional \$1.5 million in each year or 27.5% in FY 2001-02 and 24.0% in FY 2002-03 of the Transportation Capital Budget. This includes \$400,000 per year for the installation of new signalization and upgrades to existing streetlights. Rounding out the Transportation Capital Budget is \$343,000 for expansion and improvements to existing sidewalk/bikeway systems, and \$100,000 for sidewalk widening along Mill Avenue and Southern Avenue.

## Special Purpose

Special Purpose capital projects include those for both the Transit and the Rio Salado program, representing \$28.4 million or 33% in FY 2001-02 and \$61.8 million or 47% in FY 2002-03 of the total Capital Budget.

<b>General Purpose – Sources of Funds</b>		
<b>(\$ Millions)</b>	<b>FY 01-02</b>	<b>FY 02-03</b>
Outside Revenue	\$14.3	\$0.5
Operating Funds	9.0	8.2
General Obligation Bonds	7.0	8.0
Capital Projects Fund Balance	1.1	0.0
<b>Total</b>	<b>\$31.4</b>	<b>\$16.7</b>

The Transit capital program accounts for \$24.8 million or 87.2% in FY 2001-02 and \$59.7 million or 96.6% in FY 2002-03 of the Special Purpose Capital Budget. Funding for Transit capital projects comes from the voter-approved transit tax and outside revenues. Funding allows for light-rail construction (\$76.9 million), with \$47.0 million coming from federal grants and \$29.9 million from the City, \$2.3 million over the next two fiscal years for various multi-use paths within the City, and \$1.9 million for traffic calming along 13<sup>th</sup> street between Mill and Southern.

The Rio Salado capital program accounts for \$3.6 million or 12.8% in fiscal year 2001-02 and \$2.1 million or 3.4% in fiscal year 2002-03 of the Special Purpose Capital Budget. Funding for Rio Salado capital projects is derived from operating funds. This includes funding to purchase land (\$2.0 million), for a new Marina Operations Center (\$1.5 million), for the Rio Salado Parkway from McClintock to Price Road (\$1.0 million), and \$500,000 for improvements to Tempe Beach Park.

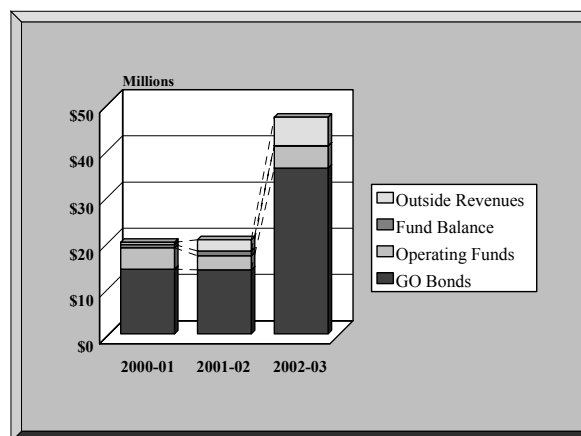
### Enterprise

Special Purpose – Sources of Funds (\$ Millions)		
	FY 01-02	FY 02-03
Outside Revenue	\$23.50	\$25.60
Excise Tax Bonds	0	29.9
Operating Funds	4	2.1
Transit Tax	1.3	4.2
Capital Projects Fund Balance	(0.4)	0
<b>Total</b>	<b>\$28.40</b>	<b>\$61.80</b>

Enterprise capital projects include those for Golf, Water, Storm Drains and Wastewater representing \$20.4 million or 24% in fiscal year 2001-02 and \$46.1 million or 35% in fiscal year 2002-03 of the total Capital Budget. Funding derives primarily from General Obligation bonds that provide \$13.9 million or 68% in fiscal year 2001-02 and \$35.9 million or 78% in fiscal year 2002-03 of the total financing of enterprise projects. Other major funding sources come from Golf and Water/Wastewater operating revenues of \$3.0 million in FY 2001-

02 and \$4.8 million in FY 2002-03, and capital projects fund balance with the remaining portion financed from outside revenues (Development fees and participation from other local cities). The following table shows a comparison of sources of funds for the Enterprise capital program.

### Federally mandated environmental compliance



requirements (e.g., EPA, DEQ, NPDES) provide the major driving influence for the significant capital projects in the Wastewater program. Wastewater and storm drain projects comprise \$15.0 million or 73.4% in fiscal year 2001-02 and \$29.8 million or 64.8% in fiscal year 2002-03 of the Enterprise Capital Budget with two major projects accounting for \$10.0 million in FY 2001-02 and \$19.2 million in FY 2002-03 of the Wastewater capital project appropriations. These projects are primarily related to upgrades and compliance requirements at the Regional 91<sup>st</sup> Avenue Wastewater Treatment Plant.

Water projects comprise \$4.9 million or 23.9% in fiscal year 2001-02 and \$13.9 million or 30.2% in fiscal year 2002-03 of the Enterprise Capital Budget. This includes \$9.3 million for expansion and rehabilitation at the Johnny G. Martinez Water Treatment Plant, and \$3.0 million for new production wells over the next two fiscal years.

## CIP Project Listing



### ■ Police

#### **Criminal Justice Center \$23,400,000**

Design and construct a new Criminal Justice Center building as a replacement and expansion of the existing facilities. Project would include offices for the Police, City Courts, City Prosecutors Office, and Community Services/ Social Services.

##### **01-02 Source of Funds**

Capital Projects FB 900,000

##### **02-03 Source of Funds**

General Fund 900,000

#### **Laptop Refresh \$2,184,000**

This is an ongoing project supporting mobile computing in the field from patrol cars using mounted CPU's and peripheral devices.

##### **01-02 Source of Funds**

##### **02-03 Source of Funds**

GO Bonds 600,000  
General Fund 128,000

#### **Police Main Building Security Modifications \$778,000**

This project will provide additional funding for the construction of a single point of entry into the Police/Courts complex.

##### **01-02 Source of Funds**

GO Bonds 778,000

##### **02-03 Source of Funds**

#### **Records Management System \$2,672,830**

This project will replace an existing records management system and acquire a 'state-of -the-art' records management system.

##### **01-02 Source of Funds**

##### **02-03 Source of Funds**

General Fund 140,000

#### **TIPS \$1,800,000**

The Technologically Integrated Police Systems (TIPS) CIP project will provide the necessary resources to incorporate new technology in the Police Department, as well as upgrade and interface core business systems throughout the Department.

##### **01-02 Source of Funds**

GO Bonds 300,000

##### **02-03 Source of Funds**

GO Bonds 300,000

#### **Upgrade of Arizona Automated Identification System \$241,100**

This project provides for upgrades to the Arizona Automated Fingerprint Identification System (AZAFIS). AZAFIS provides for the collection, electronic transmission, comparison and retention of criminal fingerprints and latent prints.

##### **01-02 Source of Funds**

##### **02-03 Source of Funds**

General Fund 241,100

#### **Property Evidence Facility Renovation \$200,000**

This program provides funding for rental space and minor program needs until funding for a new Property Room becomes available.

##### **01-02 Source of Funds**

GO Bonds 200,000

##### **02-03 Source of Funds**

#### **Police Wall Panel \$175,000**

Funding will provide for replacement of the panels on the west face of the Courts building. The existing panels have rusted through in some areas which allow moisture to enter the building.

##### **01-02 Source of Funds**

GO Bonds 175,000

##### **02-03 Source of Funds**

#### **Identification Unit Expansion \$163,478**

This existing project is to fund \$163,478 to complete the third year (FY 2000-01) of the ID Unit expansion and to restate the need for four Police Identification Technician positions. Funding is necessary to purchase office furnishings and equipment.

##### **01-02 Source of Funds**

GO Bonds 162,000  
Capital Projects FB 1,478

##### **02-03 Source of Funds**

#### **Special Weapons and Tactics Van \$160,000**

The Special Weapons and Tactics Van is used to deploy the Tactical Team's equipment and weapons for emergency public safety situations.

##### **01-02 Source of Funds**

GO Bonds 160,000

##### **02-03 Source of Funds**

#### **Surveillance Vehicle Equipment \$91,000**

This project will provide the necessary undercover surveillance equipment for the Special Investigations Bureau (SIB) surveillance vehicle.

##### **01-02 Source of Funds**

RICO Grant 91,000

##### **02-03 Source of Funds**

### ■ Fire

#### **Radio Replacement for Conversion to 800 mhz \$1,700,000**

In the near future the FCC will be mandating that public safety agencies relinquish VHF frequencies and convert to 800 mhz. This will affect all the fire departments in the automatic aid consortium.

##### **01-02 Source of Funds**

##### **02-03 Source of Funds**

GO Bonds 1,700,000





## ■ Fire

### **Downtown Fire Station \$1,250,000**

This will be the second of two fire stations to be built to replace Fire Station #1, and will be a four-bay fire station. The land for the fire station has been acquired. The trucks and personnel for the fire station will come from our current Fire Station 6.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      1,250,000

### **Fire Station #3- Renovations/Accommodations \$88,800**

This project will provide for additional bathrooms at Fire Station #3.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      88,000  
Capital Projects      800  
FB

### **Neighborhood Park Improvements \$1,450,000**

This ongoing project provides for the renovation and redevelopment of neighborhood parks with playground equipment, picnic equipment, landscaping, concrete replacement/installation, and sand.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      180,000      GO Bonds      230,000  
Residential Tax      20,000      Residential Dev.Tax      20,000

### **Tempe Sports Complex Phase II- Soccer Field Construction \$1,025,000**

This project provides the remaining planned funding for the Phase II construction and lighting of the three remaining soccer fields, concession facilities, a parking lot and a dog run on the north side of the Tempe Sports Complex.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      500,000  
Heritage Fund      500,000  
Grant      25,000

### **Mitchell School Acquisition \$520,000**

This project provides for the annual payment for the acquisition of the Mitchell Park site.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      130,000      General Fund      130,000

### **Outdoor Swimming Pool Improvements \$430,000**

This project will allow for a new double slide to be built in a new location on the deck at McClintock pool.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      40,000      GO Bonds      390,000

### **Maintenance Facility and Fire Station 2 Upgrades \$297,591**

This project includes a variety of modifications/ upgrades to the maintenance facility and Fire Station 2, including additional bathroom facilities.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      297,000  
Capital Projects FB      591

## ■ Park Improvements/Recreation

### **North Tempe Multi-Generational Center \$6,300,000**

This request provides funding for the construction of the North Tempe Multi- generational Center. This facility will be similar to the Westside and the Escalante Facility.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      1,000,000      GO Bonds      3,680,000

### **Athletic Field Lighting Improvements \$1,250,000**

This project is to provide money to upgrade the lighting levels at all City fields so that they are in compliance with I.E.S. recommendations.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      150,000  
General Fund      119,521  
Capital Projects      (19,521)

### **Skate Park Development \$745,000**

This project provides funding for design and construction of an approximate 27,500 s.f. skate park in the northwest section of the Tempe Sports Complex. The Parks and Recreations Advisory Board has identified this project as its top priority.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      55,000      GO Bonds      690,000

### **Jaycee Park Improvements \$455,000**

This project provides funding to complete improvements to Jaycee Park currently under construction in conjunction with the Westside Center Project.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      455,000

### **Kiwanis Park Ramada Renovation & Improvements \$375,000**

This project will provide for the replacement of certain concrete columns, wood roofing with metal roofing, grills and some stone work in the existing ramadas. This project will also add new ramadas in the north section of the park.

#### **01-02 Source of Funds      02-03 Source of Funds**

GO Bonds      375,000

**Park Lighting Improvements & Electrical Service Replacement****\$325,000**

This project provides additional funding for replacement of the electrical service at the Kiwanis Cholla Picnic area and the Clark Park Ballfield.

**01-02 Source of Funds**

GO Bonds

**02-03 Source of Funds**

325,000

**Kiwanis Park Playground Renovation****\$325,000**

This project will renovate the existing large playground in Kiwanis Park north of the softball fields and east of the Fiesta Ramadas.

**01-02 Source of Funds****02-03 Source of Funds**

General Fund

325,000

**Double Butte Cemetery Improvements and Expansion****\$300,000**

This project would allow for general improvements, preparation of a master plan and expansion to the current Tempe Double Butte Cemetery.

**01-02 Source of Funds**

GO Bonds

**02-03 Source of Funds**

150,000

GO Bonds

150,000

**Kiwanis Park Walkway ADA Improvements****\$255,000**

This project will improve ADA access for the Kiwanis Park walkway around the lake and access from the parking lots to facilities around the lake.

**01-02 Source of Funds**

GO Bonds

35,000

**02-03 Source of Funds**

General Fund

220,000

**Pyle Adult Recreation Center****\$160,000**

This project provides funding for improvements to the front counter area and kitchen at the Pyle Adult Recreation Center.

**01-02 Source of Funds**

GO Bonds

10,000

Capital Projects FB

2,000

**02-03 Source of Funds**

GO Bonds

100,000

**Sports Facility Relamping****\$120,000**

This project provides for the continued funding of a maintenance program for sports facilities' lighting needs. This project established a plan for a regular cycle of relamping and cleaning of light fixtures.

**01-02 Source of Funds**

GO Bonds

70,000

Capital Proj. FB

(10,000)

**02-03 Source of Funds**

General Fund

60,000

**KRC Tennis Center Office Renovation****\$95,000**

This project addresses lighting, heating and cooling, and electrical needs at the Kiwanis Recreation Center.

**01-02 Source of Funds**

GO Bonds

95,000

**02-03 Source of Funds****Sports Facility Turf Renovation****\$80,000**

This project provides for the creation of a renovation/management program for sports facilities' turf improvement needs. This project will provide for setting aside a certain number of sports fields on a rotational basis each summer.

**01-02 Source of Funds**

GO Bonds

40,000

**02-03 Source of Funds**

General Fund

40,000

**Tempe Adult Health Care Renovations****\$60,000**

This project provides funding for minor renovations and improvements to the facility located at 2234 E. Maryland Drive.

**01-02 Source of Funds**

GO Bonds

60,000

**02-03 Source of Funds****KRC Wave Pool Improvements****\$50,000**

This project would create a movable column of ballasts, allowing the lights to be checked and replaced from the pool deck, without the costly draining of the pool or the time consuming construction of a water scaffold.

**01-02 Source of Funds**

GO Bonds

50,000

**02-03 Source of Funds****■ Park Improvements/Public Works****Various Park Landscaping/Improvements****\$300,000**

This project provides funding to improve the softball fields in Kiwanis Park. This will be accomplished by improving the irrigation system, regarding the fields, and refurbishing the skinned playing surfaces.

**01-02 Source of Funds**

GO Bonds

50,000

**02-03 Source of Funds**

GO Bonds

50,000

**■ General Governmental****AZ Cardinals Stadium****\$24,416,239**

This project will provide funding for the City's portion of the new Arizona (AZ) Cardinals Stadium.

**01-02 Source of Funds**

Outside Rev.

13,700,239

**02-03 Source of Funds**

Outside Rev.

480,000

**AWA 1<sup>st</sup> Street Redevelopment** **\$4,370,500**

The City has entered into a twenty year development agreement with America West Airlines for the development of the America West Corporate Center. This project provides for annual payments to America West.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	455,000	General Fund	730,000

**City Facilities Rehabilitation** **\$1,800,000**

This project provides for the rehabilitation and repair of City owned properties. This rehabilitation includes roofing repairs, lighting replacements, floor covering replacements, and interior wall repairs.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	300,000	General Fund	300,000

**Tax and License System Replacement** **\$1,600,000**

This project provides funding to replace the existing Tax and License system with a new system that will allow integration with Internet, GIS, Interactive Voice Response (IVR), and document imaging.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	800,000	General Fund	800,000

**Neighborhood Improvement Program** **\$1,500,000**

This project provides funding for small projects in Tempe neighborhoods. Such projects would include landscaping, wall construction, sidewalk construction/repair, and lighting.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	225,000	General Fund	225,000

**Leased Office Space** **\$1,012,000**

The purpose of this project is to provide funding for the office lease costs, including annual operating and maintenance (O&M), for the Code Enforcement Office and the Tax and License Office at Centertpoint Plaza.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	160,000	General Fund	160,000

**6th Street/ City Hall Park** **\$800,000**

This project completes funding for the Phase I Brickyard development and City Hall park.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	800,000		

**Municipal Arts Program** **\$3,386,970**

This project provides for the various Municipal Arts projects as determined by the Municipal Arts Commission and the City Council.

01-02 Source of Funds		02-03 Source of Funds	
W/WW Fund	198,488	W/WW Fund	437,690
General Fund	225,896	General Fund	216,440

**Downtown Campus Remodeling** **\$1,672,100**

This project provides continued funding for remodeling efforts within the downtown campus.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	1,172,100	General Fund	500,000

**Downtown Public Parking Participation** **\$1,500,000**

This project provides funding to set-up and maintain an ongoing public parking participation fund to be used to pay for the City's participation in the development, operation and maintenance of public parking in the downtown area.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	250,000	General Fund	250,000

**Apache Blvd. Redevelopment Fund** **\$1,500,000**

Acquisition and clearance of properties along Apache Blvd and for other redevelopment purposes.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	1,500,000		

**Affordable Housing Program Fund** **\$1,000,000**

This project provides funding to develop and implement City funded affordable housing programs. Repayment of loans and interest would be returned to the program to set-up a revolving loan pool to continue the program beyond six years.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	500,000	General Fund	500,000

**East Rio Neighborhood Vacant Land Acquisition** **\$750,000**

This project will provide funding to acquire substandard, vacant lots within the East Rio Neighborhood in North Tempe.

01-02 Source of Funds		02-03 Source of Funds	
		General Fund	450,000

**Document Imaging \$450,000**

This project provides for the continuation of the planned deployment of document imaging throughout the City.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	150,000	General Fund	150,000

**Digital Network Infrastructure Enhancements \$450,000**

This project provides funding to upgrade and enhance the telecommunications network infrastructure providing increased bandwidth, reliability, and future growth.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	225,000	General Fund	225,000

**E-Government Portal \$360,000**

This project will provide for the infrastructure, security, portal, and general public assistance to provide E-Government and services over the Internet.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	210,000	General Fund	150,000

**Carpet Replacement—Library \$305,000**

This project provides funding to replace the carpet at the Tempe Public Library.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	305,000		

**State Land Lease \$300,000**

This project provides funding to enter into a 75 yr. land lease with the State for land between the railroad and Farmer, from University to the Rio Salado Parkway. Funding includes legal fees for outside attorneys and other land acquisition services.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	50,000	General Fund	50,000

**Downtown Electrical Upgrades \$300,000**

This project provides funding to upgrade downtown electrical pedestals to provide necessary power for security lighting, and power for vendors during major events.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	300,000		

**Improvements to Edna Vihel and Library Program Room \$235,000**

This project will make improvements and renovations to the Edna Vihel Center, Historical Museum, and the Library.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	50,000	General Fund	185,000

**Historic Properties Preservation \$225,000**

This project provides funding to preserve the structural and aesthetic value of City owned historical properties.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	75,000	General Fund	75,000

**Citywide GIS \$219,000**

The purpose of this project is to provide the geographical data, software, services and training required to develop geographical information systems (GIS), provide customer support and support the decision making process.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	67,000	General Fund	97,000

**Indoor Air Quality \$200,000**

This project will provide funding for indoor air quality improvements. Funding includes detailed studies of work areas and funding for remediation efforts.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	100,000	General Fund	100,000

**Development Documents Rewrite Consultants \$200,000**

This project provides funding to hire consultant(s) to review and rewrite, as necessary, all of the City's existing development control regulations and develop new regulations, and to facilitate infill development and redevelopment.

01-02 Source of Funds		02-03 Source of Funds	
Capital Projects FB	194,646		
General Fund	5,354		

**Elias—Rodriguez Renovation \$200,000**

This project provides funding to complete acquisition of adjacent vacant property, construct additional ramada and other modifications associated with operation of the facility, and provide for ongoing operational costs.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	200,000		

**ADA–Building Remediation \$192,550**

This project will provide for ADA Compliance audits and retrofit by identifying areas in need of corrective action, and developing a timetable for correction.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	99,650	General Fund	92,900

**Workplace Security Modifications \$150,000**

This project provides funding for workplace security modifications such as access control, closed circuit TV, policies and signage, and panic alarms.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	75,000	General Fund	75,000

**Community Services Reservation/ Registration System Replacement \$125,000**

This project will provide funding for a new software application program that will significantly enhance citizen access to Community Services programs and services by replacing the current registration/ reservation system for Community Services.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	125,000		

**Police/ Fire Radio Building \$80,000**

This project provides funding to build a structure, approximately 1000 s.f., at the base of the monopole located at the Police Substation in south Tempe. This structure will be used to relocate existing radio transmission equipment from within the Substation.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	80,000		

**Local Street Renovation \$6,606,110**

This project will provide for sealing local streets throughout the City in accordance with the City's Pavement Program.

01-02 Source of Funds		02-03 Source of Funds	
GO Bonds	1,255,000	GO Bonds	990,000
Capital Projects FB	63	General Fund	3,860

**Neighborhood Transportation Management \$2,100,000**

This project will provide resources to strengthen the City's ability to address neighborhood traffic concerns. Tempe will work with neighborhoods to plan and identify the most effective neighborhood-specific traffic calming measures.

01-02 Source of Funds		02-03 Source of Funds	
GO Bonds	400,000	HURF Fund Balance	400,000

**ADA Compliant Restrooms in Library \$165,000**

This project will provide for the remodeling of six public restrooms in the library to bring them into compliance with the requirements of the Americans with Disabilities Act (ADA).

01-02 Source of Funds		02-03 Source of Funds	
General Fund	165,000		

**Replacement of Automated Library System \$138,400**

This project will provide additional funding for data scrubbing of bibliographic records prior to conversion, and additional peripheral equipment. The peripheral equipment is replacing obsolete equipment used with the current software.

01-02 Source of Funds		02-03 Source of Funds	
		General Fund	138,400

**Hayden Butte Equipment Relocation \$105,000**

This project provides funding to relocate communication equipment on Hayden Butte in order to comply with an existing Inter-governmental Agreement (IGA) with Salt River Project.

01-02 Source of Funds		02-03 Source of Funds	
General Fund	105,000		

**■ Transp. & R.O.W.****Local and Major Street Reconstruction \$10,595,503**

This project will provide for the reconstruction or resurfacing of local and major streets throughout the City in accordance with the City's Pavement Program.

01-02 Source of Funds		02-03 Source of Funds	
GO Bonds	1,005,000	GO Bonds	1,810,000
Capital Proj. FB	2,451	Capital Projects FB	9,051

**Major Street Renovation \$5,733,441**

This project will provide for the sealing of arterial and collector streets throughout the City in accordance with the City's Pavement Program.

01-02 Source of Funds		02-03 Source of Funds	
GO Bonds	420,000	GO Bonds	130,000
Capital Proj. FB	4,718	Capital Projects FB	9,104

**Minor Concrete Improvements \$1,400,000**

This project will provide for the replacement of broken curbs, gutters, and sidewalks throughout the City and for the construction of curbs, gutters, and sidewalks close to small gaps at various locations.

01-02 Source of Funds		02-03 Source of Funds	
GO Bonds	200,000	HURF Fund Balance	200,000

**City Facilities Parking Lots****\$658,166**

This project will provide for the sealing, resurfacing, and reconstruction of City parking lots in accordance with the City's Pavement Program.

**01-02 Source of Funds**

GO Bonds 30,000  
Capital Projects FB 4,736

**02-03 Source of Funds**

GO Bonds 80,000  
General Fund 4,624

**Various Street Landscaping****\$500,000**

This project will provide funding to continue improvement of various street rights-of-way and public properties by installation of upgraded landscaping.

**01-02 Source of Funds**

GO Bonds 100,000

**02-03 Source of Funds****Downtown Streetscape Rehabilitation****\$280,000**

This project provides for the repair and rehabilitation of the streetscape along Mill Avenue and University Drive.

**01-02 Source of Funds**

GO Bonds 280,000

**02-03 Source of Funds****Sidewalk Widening (Mill Ave. & Southern Ave.)****\$343,000**

This project will improve ADA access on Mill Ave. from Broadway to Southern and Southern Avenue from Mill Avenue to Rural Road.

**01-02 Source of Funds**

GO Bonds 30,000  
Capital Projects FB 3,000

**02-03 Source of Funds**

Federal Grant 310,000

**Streetlight Upgrades/ New Installations****\$2,400,000**

This project provides for the installation of new street lights at various locations as well as the upgrading of street lights from mercury vapor luminaries to high pressure luminaries.

**01-02 Source of Funds**

GO Bonds 400,000

**02-03 Source of Funds**

HURF Fund Bal. 400,000

**Streetlight Pole Structural Testing/Replacement Program****\$600,000**

This project will fund a study to determine which street light poles need to be replaced immediately, and provide the funds for immediate replacement to meet our current street light pole foundation standard.

**01-02 Source of Funds**

HURF Fund Bal. 300,000

**02-03 Source of Funds**

GO Bonds 300,000

**Bridge Maintenance****\$600,000**

This project provides funds for maintenance and rehabilitation of bridges located throughout Tempe as identified in the City's Strategic Action Plan-Pavement Management Program.

**01-02 Source of Funds****02-03 Source of Funds**

GO Bonds 150,000

**Pedestrian Crossing Refuges/ Medians****\$500,000**

The purpose of this project is to design and construct pedestrian medians on two heavily traveled arterial streets to facilitate a safer crossing environment for pedestrians walking across Warner Road and Rural Road.

**01-02 Source of Funds**

GO Bonds 100,000

**02-03 Source of Funds**

Federal Grant 400,000

**■ Sidewalks & Bikeways****Sidewalk Widening, Extension & Ramp****\$500,000**

This project will provide for sidewalk widening and sidewalk ramp modifications to meet ADA standards.

**01-02 Source of Funds**

GO Bonds 100,000

**02-03 Source of Funds**

GO Bonds 100,000

**■ Traffic Signals/Street Lighting****New Signals/ Modular Upgrades****\$2,400,000**

This project provides for the installation of new traffic signals as warranted or for the conversion of existing signals to modular standards.

**01-02 Source of Funds**

GO Bonds 400,000

**02-03 Source of Funds**

GO Bonds 400,000

**Utility Undergrounding****\$2,100,000**

This project will provide for the undergrounding of overhead utility lines.

**01-02 Source of Funds**

GO Bonds 350,000

**02-03 Source of Funds**

HURF Fund Balance 350,000

**■ Transit****Rail Financing – City Share****\$146,050,000**

This project provides funding for design, engineering and construction of a light rail transit corridor that would link downtown Phoenix and downtown Mesa to Tempe.

**01-02 Source of Funds**

Excise Tax Bonds 29,911,000

**02-03 Source of Funds**

Excise Tax Bonds 29,911,000

**Rail Financing–Federal Share** **\$143,540,000**

This project provides funding for design, engineering and construction of a light rail transit corridor that would link downtown Phoenix and downtown Mesa to Tempe.

01-02 Source of Funds		02-03 Source of Funds	
FTA Grant	23,265,000	FTA Grant	23,747,000

**Municipal Arts Program–Transit** **\$3,184,634**

This project provides for various Transit related Municipal Arts projects as determined by the Transit and Cultural Services Divisions, Municipal Arts and Transportation Commissions, and the City Council.

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	245,400	Transit Tax	591,124

**13th Street Traffic Calming Between Mill Avenue and Priest Drive** **\$1,884,400**

This project will provide traffic calming to include narrowing of the street, widening of the sidewalk from 4 to 6 feet, provision of AASHTO standard bike lanes, landscaping and pedestrian bulbouts at intersections.

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	187,800	Transit Tax	991,600
TEA 21 Grant	112,200	TEA 21 Grant	592,800

**Tempe Canal Multi-Use Path, Phase 1** **\$1,200,000**

This project involves design and construction of a one mile segment of concrete off-street pathway that will include lighting, landscaping, and art elements along the Tempe Canal from University Drive to the Union Pacific Railroad (UPRR).

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	100,000	Dev. Contributions	500,000
		Transit Tax	300,000
		TEA 21 Grant	300,000

**Crosscut Canal Multi-Use Path, Phase 1** **\$725,000**

This project involves design and construction of a one mile segment of concrete off-street pathway that will include lighting, landscaping and art elements.

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	585,000		
BOR Federal Grant	140,000		

**Kyrene Canal Crossing @ Elliot Road** **\$500,000**

This project involves the design and construction of a pedestrian/ bicycle street crossing where the Kyrene Canal intersects with Elliot Road.

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	50,000	TEA 21 Grant	427,500
		Transit Tax	22,500

**Bus Pull-Outs** **\$3,245,000**

This project funds the construction of at least 30 and no more than 60 pull-outs over a five year period. A bus pull-out program is being developed including a prioritization study to focus on arterial/ arterial and arterial/ collector intersections.

01-02 Source of Funds		02-03 Source of Funds	
		Transit Tax	645,000

**Western Canal Multi-Use Path, Phase 1** **\$3,000,000**

This project involves design and construction of a 2.5 mile segment of concrete off-street pathway that will include lighting, landscaping and art elements along the Western Canal from Price Road to the Ken McDonald Golf Course.

01-02 Source of Funds		02-03 Source of Funds	
		Transit Tax	300,000

**Country Club Way Pedestrian Bridge** **\$1,675,000**

This project involves the design and construction of bridge approach ramps, approach paths, and art elements of a bicycle/ pedestrian bridge at Country Club Way and US 60.

01-02 Source of Funds		02-03 Source of Funds	
Transit Tax	100,000	Transit Tax	900,000

**Creamery Railroad Multi-Path** **\$1,200,000**

This project involves design and construction of a one mile segment of concrete off-street pathway that will include lighting, landscaping and art elements.

01-02 Source of Funds		02-03 Source of Funds	
		Transit Tax	100,000

**Local Participation in Regional Transit Maintenance Facility** **\$600,000**

This project provides the local match for design and construction of a regional transit maintenance center in the east valley to serve transit contractors working for the Regional Public Transportation Authority, and other local cities.

01-02 Source of Funds		02-03 Source of Funds	
		Transit Tax	300,000

**Neighborhood Pedestrian Design** **\$225,000**

This project provides seed money for redesign of various residential collector streets within the City, to match potential federal grants.

01-02 Source of Funds		02-03 Source of Funds	
		Transit Tax	75,000



## ■ Rio Salado

### Land Purchase \$2,000,000

This project will provide the funding necessary to purchase the property and building located at the northeast corner of Rio Salado Parkway and Ash Avenue. Tempe Beach Park is to the east and north of this property.

#### 01-02 Source of Funds

General Fund 1,375,327  
Capital Projects FB (375,327)

#### 02-03 Source of Funds

General Fund 1,023,680  
Capital Projects FB (23,680)

### Rio Salado Parkway–McClintock to Price Road \$1,027,000

This project provides for the construction of the Rio Salado Parkway from McClintock Drive to Price Road. The project includes roadway, lighting, water, sewer, storm drain, landscaping improvements, and right-of-way acquisition.

#### 01-02 Source of Funds

General Fund 1,027,000

#### 02-03 Source of Funds

### Marina Operations Center \$1,500,000

This project provides for boat ramps, parking for vehicles with and without trailers, an instructional area, and restrooms. The marina will enhance the use of Tempe Town Lake by those with sailboats and other trailered water craft.

#### 01-02 Source of Funds

General Fund 750,000

#### 02-03 Source of Funds

General Fund 750,000

### Ash Avenue Bridge Abutment \$727,000

This project will rehabilitate the Ash Avenue Bridge abutment and construct a visitor center, add a Veteran's Plaza which would include a Veteran's Memorial, and restore the stadium bleachers along old Ash Avenue.

#### 01-02 Source of Funds

General Fund 300,000

#### 02-03 Source of Funds

General Fund 282,000

### Tempe Beach Park Improvements \$500,000

This project provides additional funding to complete the Children's Interactive Water Playground in Tempe Beach Park. Design is already underway in the existing CIP Project.

#### 01-02 Source of Funds

General Fund 500,000

#### 02-03 Source of Funds

### Rio Salado Ancillary Projects \$320,000

Rio Salado Ancillary Projects will fund the various design, safety requirements, emergency signage and fencing projects, and any other unforeseen project that becomes necessary in the Rio Salado area.

#### 01-02 Source of Funds

General Fund 20,000

#### 02-03 Source of Funds

General Fund 20,000

### Municipal Arts Program– Rio Salado \$65,301

This project provides for various Rio Salado related Municipal Arts projects as determined by the Rio Salado Division, Municipal Arts Commission, and the City Council.

#### 01-02 Source of Funds

General Fund 36,070

#### 02-03 Source of Funds

General Fund 20,620

### Signage \$50,000

This project provides funding for signage all around the Rio Salado Project/Town Lake. Signs include safety signs, park entry, location signs, boat tie-up/marinas, banners & brackets, trail markers, direction signs, and interpretive signs.

#### 01-02 Source of Funds

General Fund 10,000

#### 02-03 Source of Funds

General Fund 10,000

## ■ Golf

### Ken McDonald Golf Course Clubhouse Rehabilitation \$2,555,000

This project provides funding to stabilize settling soils, fill in air gaps between the floor slab and the soils, and re-level the floor in the Pro Shop, women's bathroom, and kitchen areas.

#### 01-02 Source of Funds

Golf Fund 300,000

#### 02-03 Source of Funds

Excise Tax 2,000,000  
Golf Fund 255,000

### Golf Course Improvements \$300,000

This ongoing project provides funds for small annual renovation and improvement projects at both golf courses.

#### 01-02 Source of Funds

Golf Fund 50,000

#### 02-03 Source of Funds

Golf Fund 50,000

### Rolling Hills Driving Range Lighting \$100,000

This project is to provide electrical service, poles and fixtures to light the Rolling Hills Golf Course Driving Range.

#### 01-02 Source of Funds

Golf Fund 100,000

#### 02-03 Source of Funds

### Fairway, Bunker & Tee Improvements \$100,000

This project will provide funding for deep aeration, tree trimming and other fairway, bunker and tee improvements as determined for the City's golf courses.

#### 01-02 Source of Funds

Golf Fund 100,000

#### 02-03 Source of Funds



## ■ Water

### JGMWTP: 30 MGD Plant Expansion \$42,100,000

This project will provide the needed capacity and, coupled with new wells, allow us to market potable water to the City of Chandler.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

Chandler Participation	3,127,500
GO Bonds	3,100,000
W/WW Fund	27,500

### New Production Wells \$3,460,000

This project provides for five (5) new wells to be brought into production over a 3-year period. These wells would provide an additional 19.3 MGD of production capacity, and coupled with existing wells, meet the needs of an emergency situation.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

GO Bonds	1,600,000	GO Bonds	1,325,000
W/WW Fund	60,000		

### JGMWTP: Re-hab Existing Filters \$3,000,000

This project provides funding for the design and construction of improvements to the existing JGMWTP filters.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

GO Bonds	3,000,000
General Fund	844,900
Capital Proj. FB	(844,900)

### Waterline Upgrades & Extensions \$2,000,000

The Integrated Master Plan (IMP) identified most of the specific waterlines that need to be replaced to meet increasing demands. This project provides a recurring funding source to replace water lines that break during normal operation.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

GO Bonds	400,000
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### CAP Capital Charge \$1,194,000

An agreement with the Central Arizona Water Conservation District (CAWCD) imposes a semi-annual capital charge payable annually through 2034. These charges repay the federal government's advance of construction funding.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

Capital Projects FB	199,000	W/WW Fund	180,000
		GO Bonds	19,000

### JGMWTP: Capital Equipment Replacement \$900,000

This project provides funding for pumps, valves, and other operating equipment that need replacement due to fatigue, wear, and structural failure.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

Capital Projects FB	150,000	GO Bonds	150,000
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### JGMWTP: Waterline Improvements \$5,630,000

This project provides for replacing existing 42" diameter and 30" diameter pipes that have nearly reached their useful lives with 4500 l.f. of 54" diameter and 8600 l.f. of 36" diameter pipe to accommodate the increased future flows from the plant.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

W/WW Fund	370,000	W/WW Fund	435,600
		Chandler Participation	69,400

### Automated Meter Reading \$3,000,000

This project provides continued funding to equip water meters in the City to enable remote reading by mobile radio. This project will increase efficiency and accuracy and reduce the time required to read water meters.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

GO Bonds	450,000	GO Bonds	500,000
W/WW Fund	50,000		

### Chandler Delivery Connection (15 MGD) \$2,320,000

This project provides the new waterlines necessary to provide the water for Chandler and includes 5300 linear feet of 24" diameter waterline and 7200 linear feet of 30" waterline.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

Chandler Participation	504,000
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### Distribution System Fittings \$1,500,000

This project provides for the acquisition, assembly, and installation of water works infrastructure including meters, valves, hydrants and water lines.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

W/WW Fund	250,000	GO Bonds	250,000
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### Compound Meter Replacement \$1,050,000

This project provides for a systematic replacement program over a three year period. Less frequent maintenance and improved accuracy are the expected results of this program.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

W/WW Fund	350,000	GO Bonds	350,000
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### STWTP: Capital Equipment Replacement \$900,000

This project provides a funding mechanism to facilitate replacement of equipment at the South Tempe Water Treatment Plant (STWTP) that fails and has not been specifically budgeted.

#### 01-02 Source of Funds

#### 02-03 Source of Funds

Capital Proj. FB	150,000	GO Bonds	150,000
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**Elevated Storage Tank Rehabilitation****\$500,000**

This project provides initial funding to rehabilitate the four elevated tanks and recurring funding for annual maintenance to keep all six tanks in proper operating condition.

**01-02 Source of Funds**

W/WW Fund 500,000

**02-03 Source of Funds****JGMWTP: Replace Pre-sed Flights****\$300,000**

This project provides for replacement of key components of the pre-sed sludge removal system including drive and idler sprockets, and some chain flights.

**01-02 Source of Funds**

Capital Projects FB 150,000

**02-03 Source of Funds**

W/WW Fund 150,000

**Perry Lane & Pima****\$95,000**

This project provides for the construction of waterlines on Perry Lane and Pima Street north of the Rio Salado Parkway in connection with new streets constructed to serve the county island after annexation.

**01-02 Source of Funds**

Capital Projects FB 95,000

**02-03 Source of Funds****91st Avenue: Plant Expansion IVA – 4.5 MGD****\$27,700,000**

This project provides funding for a 4.5 MGD plant expansion at the 91st Ave. Wastewater Treatment Plant. The additional capacity is required to treat Tempe's future wastewater flows.

**01-02 Source of Funds**GO Bonds 1,150,000  
Dev. Assist. 750,000  
Development Fees 500,000**02-03 Source of Funds**GO Bonds 5,700,000  
Development Fees 500,000**SROG System: New Transmission to 91st Avenue****\$22,400,000**

This project provides transmission capacity to the 91st Avenue WWTP equal to the City's owned treatment capacity.

**01-02 Source of Funds****02-03 Source of Funds**GO Bonds 3,900,000  
W/WW Funds 580,000**SAI Diversion Structure****\$1,500,000**

This project provides for the refinement of an existing design and construction of a diversion structure. This request will be jointly funded by both Tempe and Mesa.

**01-02 Source of Funds**GO Bonds 750,000  
City of Mesa 750,000**02-03 Source of Funds****Kyrene Booster Zone****\$440,000**

This project will expand the booster zone and move the pumping function to the potable water storage and pump station located at the Kyrene WRF. This project also includes new valves and piping, and adding a new pump.

**01-02 Source of Funds**

W/WW Fund 255,000

**02-03 Source of Funds**

GO Bonds 185,000

**Alameda Waterline Replacement****\$250,000**

This project provides for an up-sizing of the existing waterline on Alameda between 48th Street and the I-10 freeway.

**01-02 Source of Funds**

Capital Projects FB 250,000

**02-03 Source of Funds****Wastewater****91st Avenue: CIP Excluding New Expansion****\$36,112,000**

Funding is provided for a series of projects designed to enhance the efficiency of the 91st Ave. Wastewater Treatment Plant and ensure compliance with new EPA regulations.

**01-02 Source of Funds**GO Bonds 7,600,000  
Capital Proj. FB 4,000**02-03 Source of Funds**GO Bonds 8,500,000  
W/WW Fund 8,000**Kyrene WRF: Plant Expansion & Re-hab****\$25,000,000**

This project provides funding to build a new 5 MGD process train at the Kyrene Water Reclamation Facility (WRF).

**01-02 Source of Funds**

GO Bonds 1,600,000

**02-03 Source of Funds**GO Bonds 4,800,000  
W/WW Fund 105,000**SAI Rehabilitation****\$15,179,000**

This project combines all phases of the multi-year rehabilitation of the Southern Avenue Interceptor (SAI) into a single project. The project will be jointly funded by Tempe and Mesa.

**01-02 Source of Funds**City of Mesa 429,375  
W/WW Fund 425,000  
Capital Proj. FB 4,375**02-03 Source of Funds**City of Mesa 2,013,000  
GO Bonds 2,000,000  
W/WW Fund 13,000**Storm Drain Improvements****\$1,400,000**

This project will provide for the construction of minor storm drain extensions to relieve localized problems for replacement and/or upgrades associated with various storm water retention facilities.

**01-02 Source of Funds**

GO Bonds 200,000

**02-03 Source of Funds**

GO Bonds 200,000

**Sewerline Upgrades & Extensions** **\$1,250,000**

The Integrated Master Plan (IMP) identified most of the specific sewer lines that need to be replaced to meet increasing wastewater flows. This project provides a recurring funding source to replace sewer lines that break during normal operation.

01-02 Source of Funds	02-03 Source of Funds
	GO Bonds 250,000

**Sewer Upgrade Farmer 12"- 1<sup>st</sup> Street to 7th Street** **\$356,000**

This project provides funding to upgrade a 12" diameter line on Farmer Ave. from 1st Street south to 7th Street.

01-02 Source of Funds	02-03 Source of Funds
	GO Bonds 350,000
	W/WW Fund 6,000

**NPDES-Stormwater Management** **\$275,000**

This project will provide for the development of an inspection monitoring program, an audit program, a public education program, and a records management program as components of the City's Storm Water Management Program.

01-02 Source of Funds	02-03 Source of Funds
	W/WW Fund 50,000

**Perry Lane & Pima Street** **\$140,000**

This project provides for the construction of sewer mains in Perry Lane and Pima Street north of the Rio Salado Parkway in connection with the new streets constructed to serve the county island after annexation.

01-02 Source of Funds	02-03 Source of Funds
W/WW Fund	140,000

**Kyrene WRF: Plant Reliability Upgrades** **\$1,000,000**

This project provides funding to renovate and refit the two diversion structures that send flow to the plant with early-warning analyzers.

01-02 Source of Funds	02-03 Source of Funds
GO Bonds 320,000	GO Bonds 580,000
W/WW Fund 100,000	

**Sewer Upgrade 1st Street 15"** **\$338,000**

This project provides funding to upgrade a 15" diameter pipe on 1st Street between Farmer and Mill.

01-02 Source of Funds	02-03 Source of Funds
GO Bonds 147,000	GO Bonds 191,000

**Carver/Rural Lift Station Pump Replacement** **\$200,000**

This project provides funding to replace worn and aging pumps with new self-priming pumps over a two year period.

01-02 Source of Funds	02-03 Source of Funds
GO Bonds 100,000	W/WW Fund 100,000

## Capital Improvements Program Summary



Program	2001-02 Funded Program	2002-03 Funded Program	Additional Needs				Total 6-Year Program
			2003-04	2004-05	2005-06	2006-07	
<b>General Purpose Program</b>							
Police	\$2,767,478	\$2,309,100	\$3,426,000	\$10,034,830	\$10,164,000	\$7,664,000	\$36,365,408
Fire	1,636,391	1,700,000	500,000	1,700,000	504,334	0	6,040,725
Park Improvements							
Recreation	4,107,000	6,285,000	2,298,000	630,000	500,000	500,000	14,320,000
Public Works	50,000	50,000	50,000	50,000	50,000	50,000	300,000
General Governmental							
Community Services	340,000	323,400	0	0	0	0	663,400
Development Services	17,655,239	2,460,000	8,738,000	4,318,000	2,062,750	1,162,750	36,396,739
Financial Services	960,000	960,000	167,000	175,000	175,000	175,000	2,612,000
Information Technology	837,000	622,000	705,000	510,682	0	0	2,674,682
Neighborhood Program	225,000	225,000	250,000	250,000	275,000	275,000	1,500,000
Municipal Arts Program	424,384	654,130	708,824	670,853	514,253	414,526	3,386,970
Public Works	2,426,750	1,142,900	375,000	300,000	300,000	300,000	4,844,650
<b>Total General Purpose</b>	<b>31,429,242</b>	<b>16,731,530</b>	<b>17,217,824</b>	<b>18,639,365</b>	<b>14,545,337</b>	<b>10,541,276</b>	<b>109,104,574</b>
<b>Transportation Program</b>							
Transportation and R.O.W.	3,801,968	4,186,639	5,070,176	6,351,498	5,806,061	5,577,878	30,794,220
Sidewalks and Bikeways	33,000	410,000	100,000	100,000	100,000	100,000	843,000
Traffic Signals/Street Lights	1,450,000	1,450,000	1,150,000	1,150,000	1,150,000	1,150,000	7,500,000
<b>Total Transportation</b>	<b>5,284,968</b>	<b>6,046,639</b>	<b>6,320,176</b>	<b>7,601,498</b>	<b>7,056,061</b>	<b>6,827,878</b>	<b>39,137,220</b>
<b>Total General/Transportation</b>	<b>36,714,210</b>	<b>22,778,169</b>	<b>23,538,000</b>	<b>26,240,863</b>	<b>21,601,398</b>	<b>17,369,154</b>	<b>148,241,794</b>
<b>Special Purpose Program</b>							
Transit	24,785,400	59,703,524	76,134,810	73,501,740	51,171,650	36,350,910	321,648,034
Rio Salado	3,643,070	2,082,620	637,364	90,900	90,900	50,500	6,595,354
<b>Total Special Purpose</b>	<b>28,428,470</b>	<b>61,786,144</b>	<b>76,772,174</b>	<b>73,592,640</b>	<b>51,262,550</b>	<b>36,401,410</b>	<b>328,243,388</b>
<b>Subtotal Tax-Supported</b>	<b>65,142,680</b>	<b>84,564,313</b>	<b>100,310,174</b>	<b>99,833,503</b>	<b>72,863,948</b>	<b>53,770,564</b>	<b>476,485,182</b>
<b>Enterprise Program</b>							
Golf	550,000	2,305,000	200,000	1,925,000	525,000	525,000	6,030,000
Water	4,879,000	13,923,000	19,159,000	23,080,000	8,029,000	3,169,000	72,239,000
Wastewater	14,969,750	29,846,000	35,952,250	20,713,250	23,209,124	21,329,001	146,019,375
<b>Subtotal Enterprise</b>	<b>20,398,750</b>	<b>46,074,000</b>	<b>55,311,250</b>	<b>45,718,250</b>	<b>31,763,124</b>	<b>25,023,001</b>	<b>224,288,375</b>
<b>Total Program</b>	<b>\$85,541,430</b>	<b>\$130,638,313</b>	<b>\$155,621,424</b>	<b>\$145,551,753</b>	<b>\$104,627,072</b>	<b>\$78,793,565</b>	<b>\$700,773,557</b>

## Capital Improvements Program Fund Balances



Program	Estimated Fund Bal. 06-30-01	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Bal. 06-30-02
<b>General Purpose</b>						
Police Protection	\$1,089,779	\$0	\$91,000	\$1,775,000	\$2,767,478	\$188,301
Fire Protection	4,557	0	0	1,635,000	1,636,391	3,166
Park Improvements	(129,437)	0	520,000	3,620,000	4,157,000	(146,437)
General Governmental	39,219	8,775,000	13,898,727	0	22,868,373	(155,427)
<b>Subtotal General Purpose</b>	<b>1,004,118</b>	<b>8,775,000</b>	<b>14,509,727</b>	<b>7,030,000</b>	<b>31,429,242</b>	<b>(110,397)</b>
<b>Transportation</b>						
Transp. & R.O.W. Improvements	526,849	0	0	3,790,000	3,801,968	514,881
Sidewalks and Bikeways	6,493	0	0	30,000	33,000	3,493
Traffic Signals/Street Lighting	7,635	300,000	0	1,150,000	1,450,000	7,635
<b>Subtotal Transportation</b>	<b>540,977</b>	<b>300,000</b>	<b>0</b>	<b>4,970,000</b>	<b>5,284,968</b>	<b>526,009</b>
<b>Special Purpose</b>						
Transit	443,129	1,268,200	23,517,200	0	24,785,400	443,129
Rio Salado	393,020	4,018,397	0	0	3,643,070	768,347
<b>Subtotal Special Purpose</b>	<b>836,149</b>	<b>5,286,597</b>	<b>23,517,200</b>	<b>0</b>	<b>28,428,470</b>	<b>1,211,476</b>
<b>Enterprise</b>						
Golf	0	550,000	0	0	550,000	0
Water/Wastewater/Storm Drains	3,325,502	2,500,000	2,429,375	13,900,000	19,848,750	2,306,127
<b>Subtotal Enterprise</b>	<b>3,325,502</b>	<b>3,050,000</b>	<b>2,429,375</b>	<b>13,900,000</b>	<b>20,398,750</b>	<b>2,306,127</b>
<b>Total Program</b>	<b>\$5,706,746</b>	<b>\$17,411,597</b>	<b>\$40,456,302</b>	<b>\$25,900,000</b>	<b>\$85,541,430</b>	<b>\$3,933,215</b>

Program	Estimated Fund Bal. 06-30-02	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Bal. 06-30-03
<b>General Purpose</b>						
Police Protection	\$188,301	\$1,409,100	\$0	\$900,000	\$2,309,100	\$188,301
Fire Protection	3,166	0	0	1,700,000	1,700,000	3,166
Park Improvements	(146,437)	894,521	20,000	5,440,000	6,335,000	(126,916)
General Governmental	(155,427)	5,469,740	917,690	0	6,387,430	(155,427)
<b>Subtotal General Purpose</b>	<b>(110,397)</b>	<b>7,773,361</b>	<b>937,690</b>	<b>8,040,000</b>	<b>16,731,530</b>	<b>(90,876)</b>
<b>Transportation</b>						
Transp. & R.O.W. Improvements	514,881	626,639	400,000	3,160,000	4,186,639	514,881
Sidewalks and Bikeways	3,493	0	310,000	100,000	410,000	3,493
Traffic Signals/Street Lighting	7,635	750,000	0	700,000	1,450,000	7,635
<b>Subtotal Transportation</b>	<b>526,009</b>	<b>1,376,639</b>	<b>710,000</b>	<b>3,960,000</b>	<b>6,046,639</b>	<b>526,009</b>
<b>Special Purpose</b>						
Transit	443,129	4,225,224	25,567,300	29,911,000	59,703,524	443,129
Rio Salado	768,347	2,106,300	0	0	2,082,620	792,027
<b>Subtotal Special Purpose</b>	<b>1,211,476</b>	<b>6,331,524</b>	<b>25,567,300</b>	<b>29,911,000</b>	<b>61,786,144</b>	<b>1,235,156</b>
<b>Enterprise</b>						
Golf	0	305,000	0	2,000,000	2,305,000	0
Water/Wastewater/Storm Drains	2,306,127	2,500,000	6,213,900	35,900,000	43,769,000	3,151,027
<b>Subtotal Enterprise</b>	<b>2,306,127</b>	<b>2,805,000</b>	<b>6,213,900</b>	<b>37,900,000</b>	<b>46,074,000</b>	<b>3,151,027</b>
<b>Total Program</b>	<b>\$3,933,215</b>	<b>\$18,286,524</b>	<b>\$33,428,890</b>	<b>\$79,811,000</b>	<b>\$130,638,313</b>	<b>\$4,821,316</b>



The City of Tempe prepares a separate Capital Budget from the Operating Budget, but the two budgets are closely linked. The Capital Improvements Program (CIP), as distinguished from the Operating Budget, is a multi-year financial plan for the acquisition, expansion, or rehabilitation of infrastructure, capital assets, or productive capacity of City services. Capital projects typically apply to: (1) expenditures that take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) systematic acquisition over an extended period of time; and (4) scheduled replacement or maintenance of specific elements of physical assets.

Revenues for the Capital Budget derive primarily from General Obligation bond sales, long and short-term loans, lottery proceeds, development fees, and some current revenues. The Capital Budget, unlike the Operating Budget, is a six-year plan that is updated every two years. Only those projects scheduled during the first two years of the plan are financed and adopted as part of the City's Biennial Budget.

*The property tax rate will remain at \$1.35 per \$100 assessed valuation. No property tax increase is necessary to fund debt service requirements of the FY 2001-03 Capital Budget.*

The preceding table provides a summary of the City's entire financial program and the Capital Budget's relation to it. The estimated impact of the Capital Budget on the Operating Budget is \$49.3 million in FY 2001-02 and \$47.9 million in FY 2002-03. This includes debt service costs incurred from long-term financing of capital projects approved this year and in prior years, operating and maintenance costs directly related to new capital projects, and "pay-as-you-go" financing of capital projects.

As part of the FY 2001-03 Capital Improvements Program, departments were asked to identify those capital projects that have an impact on the operating budget. Operating impacts include those costs associated with the addition of full and part-time positions (i.e., personal services), supplies and services, and capital items. During CIP budget submissions, the following budgeted projects were identified as having an impact on the operating budget.

The tables on the following pages summarize the projected impact of the capital improvement plan on the City's operating budget for FY 2001-02 and FY 2002-03. Total operating impacts from the General Purpose Program are estimated at \$1,375,506 in 2001-02 and \$612,185 in 2002-03, with the majority (\$306,718) and (\$203,900) associated with the West Side Multi-Generational Center and the Elevated Storage Tank Rehabilitation projects.

The West Side Multi-Generational Center provides continued funding in FY 2001-02 for personnel, and various supplies and services including electricity, contracted services, equipment and machinery repair, minor equipment and miscellaneous fees and services. Full-time additions to personnel include one Supervisor, two Custodians, one Facility Maintenance Worker, two Program Specialists, and one Community Education Specialist. Also funded under Parks/Recreation are various capital items for the Sports Facility Turf Renovation capital project.

Total Impact of Capital Budget on Operating Budget		
	2001-02	2002-03
Existing Debt	\$27,736,408	\$21,780,112
New Debt		
Water/Wastewater	1,436,866	4,566,791
Transportation	523,107	1,046,215
General Purpose	628,107	1,151,215
O&M by Project	1,375,506	612,185
Pay-As-You-Go	17,610,085	18,724,214
<b>Total</b>	<b>\$49,310,079</b>	<b>\$47,880,732</b>

Funding has also been approved to hire a Facility Technician I/II and a Custodian in conjunction with the Orchid House Improvements capital project. This includes funding for custodial supplies, minor equipment, uniforms, and building materials. As part of the Apache Blvd. Redevelopment and Affordable Housing Program capital projects, a Redevelopment Specialist and a Principal Planner position have been approved for both years of the biennium.

Within the Police capital program, funding will provide for various supplies, services, and capital items, as well as, the addition of two Jailers and two Civilian Identification Technicians as part of the Jail Improvements and Identification Unit Expansion capital projects. The Laptop Refresh capital project will provide funding for a laptop replacement program to support mobile computing in the field from patrol cars.

FY 2001-02 Operating Budget Impacts					
Program		Salaries	Supplies & Services	Capital Outlay	2001-02 Impacts
Police	Jail Improvements	\$80,675	\$4,100	\$7,000	\$91,775
	Laptop Refresh	49,644	3,570		53,214
	Identification Unit Expansion	45,299	4,100	3,500	52,899
	Technologically Integrated Police System (TIPS)		25,000		25,000
	Property and Evidence Facility Renovation		11,500		11,500
	Special Weapons and Tactics Van		5,000		5,000
	Surveillance Vehicle Equipment		3,000		3,000
	Police Main Bldg. Security Modifications		3,000		3,000
Fire	Downtown Fire Station		23,114		23,114
	Maintenance Facility and Fire Station 2 Upgrades		6,117		6,117
Parks/Recreation	West Side Multi-Generational Center	195,218	84,500	27,000	306,718
	Sports Facility Turf Renovation			45,000	45,000
	KRC Tennis Center Office Renovation		9,000		9,000
General Governmental	Orchid House Improvements	68,153	22,350	25,600	116,103
	Apache Blvd. Redevelopment Fund	70,788	3,870	3,780	78,438
	Affordable Housing Program Fund	41,826	3,870	3,780	49,476
	Elias-Rodriguez Renovation	25,000	21,000		46,000
	Community Services Reservation/Registration	23,843	16,272	3,500	43,615
	E-Government Portal		30,000		30,000
	Document Imaging		28,050		28,050
	Citywide GIS		6,000		6,000
<b>Total General Purpose</b>		<b>\$600,446</b>	<b>\$313,413</b>	<b>\$119,160</b>	<b>\$1,033,019</b>
Traffic Signals/Streets	Streetlight Upgrades/New Installations		23,640		23,640
<b>Total Transportation</b>			<b>\$23,640</b>		<b>\$23,640</b>
Rio Salado	Tempe Beach Park Improvements		18,580		18,580
	Marina Operations Center-Phase I		346		346
<b>Total Special Purpose</b>			<b>\$18,926</b>		<b>\$18,926</b>
Water	Elevated Storage Tank Rehabilitation		203,900		203,900
	JGMWTP: 30 MGD Plant Expansion	66,158	1,878	6,485	74,521
	Kyrene Booster Zone		21,500		21,500
<b>Total Enterprise</b>		<b>\$66,158</b>	<b>\$227,278</b>	<b>\$6,485</b>	<b>\$299,921</b>
<b>Total Program</b>		<b>\$666,604</b>	<b>\$583,257</b>	<b>\$125,645</b>	<b>\$1,375,506</b>

Total operating impacts from the Transportation Program are estimated at \$23,640 in FY 2001-02 and \$946 in FY 2002-03 to fund contracted services and electricity costs associated with the Streetlight Upgrades and New Installations capital project.

The estimated impacts of the capital budget on the operating budget for the Special Purpose Program are quite minimal (\$18,926 in FY 2001-02 and \$37,953 in FY 2002-03) when

compared to the operating budget impacts from the prior Biennial Budget. Of these totals, \$18,580 can be attributed to the Tempe Beach Park Improvements project within the Rio Salado capital program. Funding is provided for various supplies and services such as electricity, water, refuse and sewer, and other equipment. During FY 2001-03, there are no impacts associated with the Transit capital program.

FY 2002-03 Operating Budget Impacts					
Program		Salaries	Supplies & Services	Capital Outlay	2002-03 Impacts
Police	Identification Unit Expansion	\$48,239	\$2,780		\$51,019
Parks/Recreation	Tempe Sports Complex Phase II-Soccer Fields		91,079	74,000	165,079
	Sports Facility Turf Renovation			25,000	25,000
	Skate Park Development		23,243		23,243
	Park Lighting Improvements & Electrical Svcs.		5,000		5,000
General Governmental	Tax and License System Replacement		150,000		150,000
	Replacement of Automated Library System		15,000		15,000
	Citywide GIS		4,000		4,000
	Apache Blvd. Redevelopment Fund	1,881			1,881
	E-Government Portal		1,000		1,000
<b>Total General Purpose</b>		<b>\$50,120</b>	<b>\$292,102</b>	<b>\$99,000</b>	<b>\$441,222</b>
Traffic Signals/Streets	Streetlight Upgrades/New Installations		946		946
<b>Total Transportation</b>			<b>\$946</b>		<b>\$946</b>
Rio Salado	Tempe Beach Park Improvements		37,240		\$37,240
	Marina Operations Center-Phase I		713		713
<b>Total Special Purpose</b>			<b>\$37,953</b>		<b>\$37,953</b>
Golf	Ken McDonald Golf Course Clubhouse Rehab	43,487	820	35,300	79,607
	Fairway, Bunker & Tee Improvements		20,000		20,000
	Rolling Hills Driving Range Lighting		5,000		5,000
Water	New Production Wells		24,350		24,350
	JGMWTP: 30 MGD Plant Expansion	3,107			3,107
<b>Total Enterprise</b>		<b>\$46,594</b>	<b>\$50,170</b>	<b>\$35,300</b>	<b>\$132,064</b>
<b>Total Program</b>		<b>\$96,714</b>	<b>\$381,171</b>	<b>\$134,300</b>	<b>\$612,185</b>

Lastly, total operating impacts for the Enterprise Program are estimated at \$299,921 in FY 2001-02 and \$132,064 in FY 2002-03. The Elevated Storage Tank Rehabilitation capital project accounts for \$203,900 of the FY 2001-02 total. This includes funding for contracted services to repair and re-coat four elevated storage tanks, and recurring funding for annual maintenance to keep all six storage tanks in proper operating condition. In addition, one full-time Senior Civil Engineer has been authorized as part of the Johnny G. Martinez Water Treatment Plant (JGMWTP): 30 MGD Plant Expansion project

to facilitate the increase in the number of Water/Wastewater capital projects over the past few years.

As part of the Golf capital program, one full-time Facility Maintenance Technician I/II has been approved in FY 2002-03 in conjunction with the Ken McDonald Golf Course Clubhouse Rehabilitation. Other funding provides for contracted services for the Fairway, Bunker and Tee Improvements project, and electricity for the Rolling Hills Driving Range Lighting capital project.



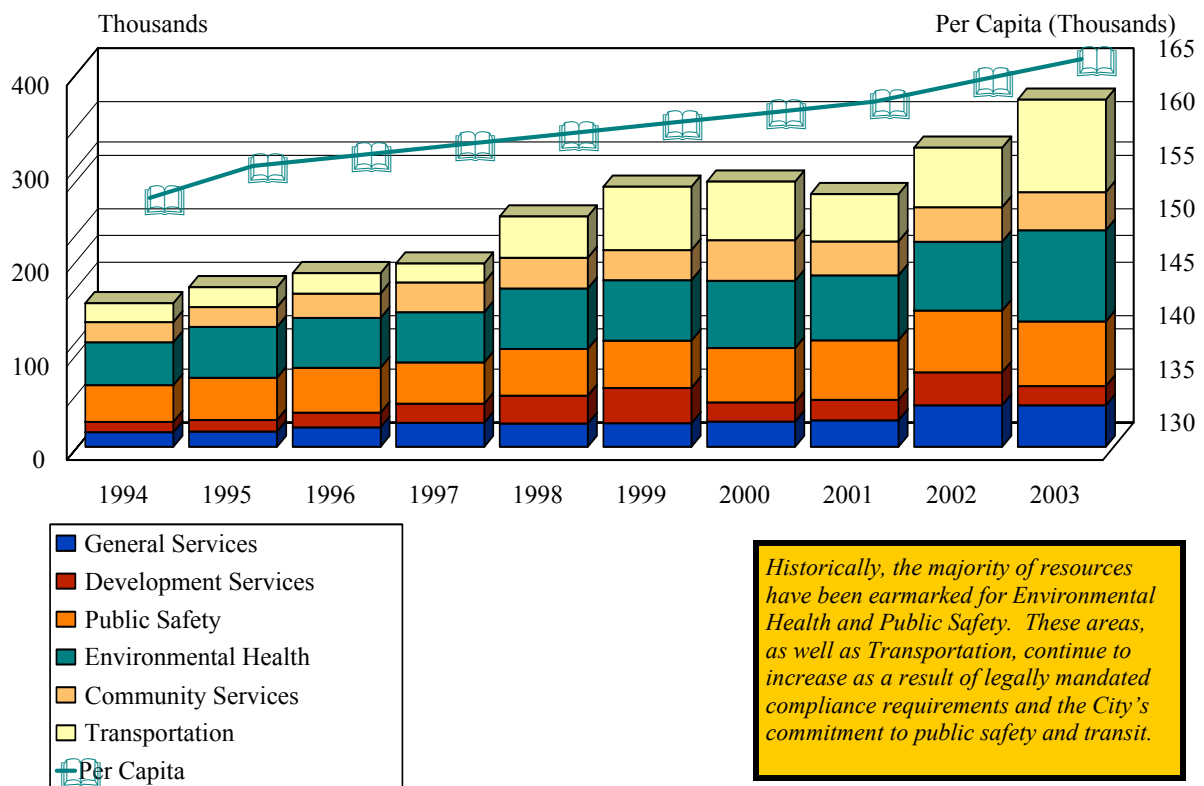
## Program Budget at a Glance



Historically, Environmental Health and Public Safety Programs consumed the largest share of program expenditures, except for FY 1998-99, when Transportation represented the most significant share of the total financial program. Since then, Transportation has maintained a sizable share of program expenditures.

For FY 2001-02, Environmental Health constitutes 23% of total program expenditures. This program reflects funding for the 91st Avenue Wastewater Treatment Plant expansion, Kyrene Wastewater Plant and Interceptor enhancements, and improved efficiencies. Public Safety represents 21% of the total financial program, largely attributed to the addition of police personnel.

For FY 2002-03, Transportation comprises 27% of the total program budget. This is principally due to funding for Transit Light Rail approximating \$53.7 million. Environmental Health reflects 26% of the budget, largely driven by continued funding for water and wastewater plant expansion and process improvement projects.



Program	FYE 94	FYE 95	FYE 96	FYE 97	FYE 98	FYE 99	FYE 00	FYE 01	FYE 02	FYE 03
General Services	15,780	16,366	20,925	25,881	25,096	25,138	27,024	28,427	44,517	44,484
Development Services	11,024	12,250	15,698	20,172	29,563	37,949	20,483	21,842	35,036	20,423
Public Safety	39,184	45,188	47,943	44,271	49,853	50,509	58,040	63,479	66,277	69,101
Environmental Health	45,965	54,475	53,224	53,542	64,665	64,472	72,022	69,586	73,406	97,560
Community Services	21,263	20,996	26,166	32,027	32,982	32,138	43,320	36,232	37,070	40,727
Transportation	20,411	21,331	21,736	20,032	44,186	67,905	62,624	50,508	63,251	98,805
<b>Total</b>	<b>153,627</b>	<b>170,606</b>	<b>185,692</b>	<b>195,925</b>	<b>246,345</b>	<b>278,111</b>	<b>283,513</b>	<b>270,074</b>	<b>319,557</b>	<b>371,100</b>

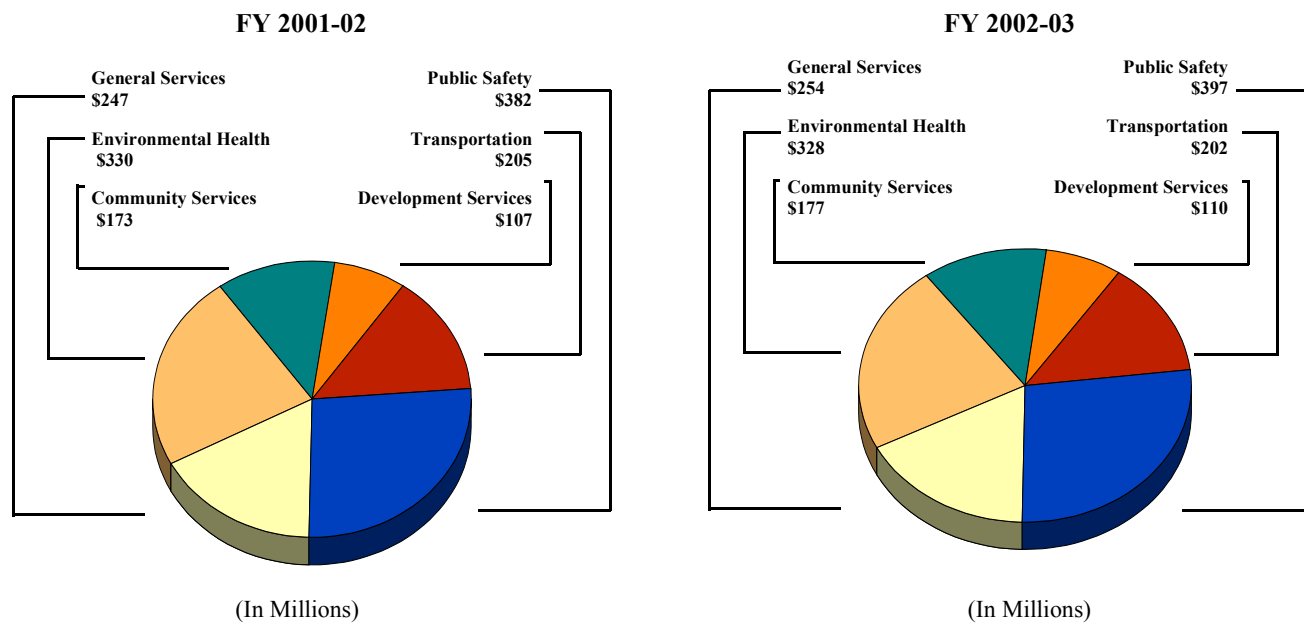
## Per Capita Operating Expenditures by Program



The City's budget consists of six major programmatic areas: (1) General Services, (2) Development Services, (3) Public Safety, (4) Environmental Health, (5) Community Services, and (6) Transportation.

In FY 2001-02, the total per capita operating cost is \$1,444. In this fiscal year, for every \$1 of expenditure, 26¢ is earmarked for Public Safety, 23¢ for Environmental Health and the remainder for General Services, Community Services, Transportation and Development Services. In FY 2002-03, the total per capita operating cost is \$1,468, with Public Safety and Environmental Health accounting for 49¢ of every \$1 of expenditure.

In the two fiscal years, Public Safety and Environmental Health represent the greatest areas of expense. The increase in Public Safety is primarily due to additional Police patrol and the absorption of previously grant funded positions. Environmental compliance modifications and additional treatment plant capacity continue to impact enterprise operations resulting in increasing wastewater costs.



**Per Capita Operating Expenditures**

Program	FY 2001-02	Percentage of Total	FY 2002-03	Percentage of Total
General Services	\$247	17%	\$254	17%
Development Services	107	7%	110	7%
Public Safety	382	26%	397	27%
Environmental Health	330	23%	328	22%
Community Services	173	12%	177	12%
Transportation	205	14%	202	14%
<b>Total Operating Expenditures</b>	<b>\$1,444</b>	<b>100%</b>	<b>\$1,468</b>	<b>100%</b>

## Program By Fund Summary



In the first year of the biennium, Environmental Health represents the greatest expense, reflecting the impact of federally mandated compliance programs for water/wastewater operations. In the second year of the biennium, Transportation expense is primarily attributed to capital improvement projects associated with light rail. The General Fund program budget reflects the City's commitment to Public Safety, comprising 48% or \$62 million and increasing to 49% or \$65 million of the total budget respectively in the two fiscal years.

Fund	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
<b>FY 2001-02</b>							
General	\$28,534,230	\$8,768,072	\$61,873,325	\$1,315,803	\$24,935,850		\$125,427,280
Rio Salado		978,410			374,681		1,353,091
HURF						8,135,751	8,135,751
Transit						25,044,850	2,135,751
Debt Service	11,238,729						11,238,729
Performing Arts					317,048		317,048
Golf					2,327,698		2,327,698
Sanitation				10,515,860			10,515,860
Water Utilities	295,455			41,725,785			42,021,240
CDBG/ Section 8		7,633,824					7,633,824
<b>Total Operating</b>	<b>40,068,414</b>	<b>17,380,306</b>	<b>61,873,325</b>	<b>53,557,448</b>	<b>27,955,277</b>	<b>33,180,601</b>	<b>234,015,370</b>
Capital Improvements	4,448,750	17,655,239	4,403,869	19,848,750	9,114,454	30,070,368	85,541,430
<b>TOTAL PROGRAM</b>	<b>\$44,517,164</b>	<b>\$35,035,545</b>	<b>\$66,277,194</b>	<b>\$73,406,198</b>	<b>\$37,069,731</b>	<b>\$63,250,969</b>	<b>\$319,556,800</b>
<b>FY 2002-03</b>							
General	\$29,696,362	\$9,198,997	\$65,092,110	\$1,989,267	\$25,681,669		\$131,658,405
Rio Salado		1,057,831			376,436		1,434,267
HURF						8,447,753	8,447,753
Transit						24,606,654	24,606,654
Debt Service	11,518,082						11,518,082
Performing Arts					341,472		341,472
Golf					2,626,995		2,626,995
Sanitation				10,788,733			10,788,733
Water Utilities	319,673			41,013,518			41,333,191
CDBG/ Section 8		7,705,907					7,705,907
<b>Total Operating</b>	<b>41,534,117</b>	<b>17,962,735</b>	<b>65,092,110</b>	<b>53,791,518</b>	<b>29,026,572</b>	<b>33,054,407</b>	<b>240,461,459</b>
Capital Improvements	2,949,900	2,460,000	4,009,100	43,769,000	11,700,150	65,750,163	130,638,313
<b>TOTAL PROGRAM</b>	<b>\$44,484,017</b>	<b>\$20,422,735</b>	<b>\$69,101,210</b>	<b>\$97,560,518</b>	<b>\$40,726,722</b>	<b>\$98,804,570</b>	<b>\$371,099,772</b>

# Program By Department Summary



Department	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
<b>FY 2001-02</b>							
Mayor & Council	\$523,001						\$523,001
City Manager	1,998,888						1,998,888
Community Relations	1,436,347						1,436,347
City Clerk	717,900						717,900
City Court			3,167,436				3,167,436
Human Resources	3,055,512						3,055,512
City Attorney	2,816,651						2,816,651
Financial Services	5,227,487						5,227,487
Strategic Planning	221,941						221,941
Tempe Learning Ctr	674,709						674,709
Development Svcs.		14,929,610		975,855			15,905,465
Economic Dev/Rio	560,087						1,538,497
Police			43,851,476				43,851,476
Fire			14,854,413				14,854,413
Community Services					\$19,468,318		19,468,318
Water Utilities				26,369,823			26,369,823
Public Works	5,304,313	1,472,286		10,805,807	7,960,968	\$30,286,127	55,829,501
<b>TOTAL DEPT</b>	<b>22,536,836</b>	<b>17,380,306</b>	<b>61,873,325</b>	<b>38,151,485</b>	<b>27,429,286</b>	<b>30,286,127</b>	<b>197,657,365</b>
Non-Departmental	3,597,440						3,597,440
Debt Service	11,238,729			14,355,963	149,555	2,445,241	28,189,488
Contingency	2,695,409			1,050,000	376,436	449,232	4,571,077
<b>TOTAL OPERATING</b>	<b>40,068,414</b>	<b>17,380,306</b>	<b>61,873,325</b>	<b>53,557,448</b>	<b>27,955,277</b>	<b>33,180,600</b>	<b>234,015,370</b>
Capital Improve-	4,448,750	17,655,239	4,403,869	19,848,750	9,114,454	30,070,368	85,541,430
<b>TOTAL PROGRAM</b>	<b>\$44,517,164</b>	<b>\$35,035,545</b>	<b>\$66,277,194</b>	<b>\$73,406,198</b>	<b>\$37,069,731</b>	<b>\$63,250,968</b>	<b>\$319,556,800</b>
<b>FY 2002-03</b>							
Mayor & Council	\$538,462						\$538,462
City Manager	2,141,535						2,141,535
Community Relations	1,280,651						1,280,651
City Clerk	471,235						471,235
City Court			\$3,370,946				3,370,946
Human Resources	3,434,381						3,434,381
City Attorney	2,994,084						2,994,084
Financial Services	5,573,791						5,573,791
Strategic Planning	236,362						236,362
Tempe Learning Ctr	757,031						757,031
Development Svcs		\$15,405,841		\$1,055,316			16,461,157
Economic Dev/Rio	582,263	1,057,831					1,640,094
Police			46,031,157				46,031,157
Fire			15,690,007				15,690,007
Community Svcs					20,119,237		20,119,237
Water Utilities				27,040,692			27,040,692
Public Works	5,584,440	1,499,063		11,103,039	8,382,119	\$32,605,175	59,173,836
<b>TOTAL DEPT</b>	<b>23,594,235</b>	<b>17,962,735</b>	<b>65,092,110</b>	<b>39,199,047</b>	<b>28,501,356</b>	<b>32,605,175</b>	<b>206,954,658</b>
Non-Departmental	3,615,704						3,615,704
Debt Service	11,518,082			13,542,471	148,780		25,209,333
Contingency	2,806,096			1,050,000	376,436	449,232	4,681,764
<b>TOTAL OPERATING</b>	<b>41,534,117</b>	<b>17,962,735</b>	<b>65,092,110</b>	<b>53,791,518</b>	<b>29,026,572</b>	<b>33,054,407</b>	<b>240,461,459</b>
Capital Improve-	2,949,900	2,460,000	4,009,100	43,769,000	11,700,150	65,750,163	130,638,313
<b>TOTAL PROGRAM</b>	<b>\$44,484,017</b>	<b>\$20,422,735</b>	<b>\$69,101,210</b>	<b>\$97,560,518</b>	<b>\$40,726,722</b>	<b>\$98,804,570</b>	<b>\$371,099,772</b>

Public Works represents 58% of the total General Services program, while Police comprises 71% of the total Public Safety program budget.

Public Works represents 61% of the total General Services program, while Community Services comprises 68% of the total Community program budget.

## Bonded Debt Limits Summary, July 1, 2001 and July 1, 2002



Under Arizona law <sup>(1)</sup>, cities may issue general obligation bonds for purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds and recreational facilities up to an amount not exceeding 20% of the secondary assessed value.

Cities may also issue general obligation bonds for all other purposes not included in the 20% Debt Margin category up to an amount not exceeding 6% of the secondary assessed value.

### FY 2001-03 Bonded Debt Limits

	FY 2001-02		FY 2002-03	
	6%	20%	6%	20%
Bond Limit <sup>(2)</sup>	\$86,268,910	\$287,563,032	\$89,719,666	\$299,065,553
Outstanding Bonded Debt Previously Issued by City	(52,315,000)	(90,650,000)	(48,655,000)	(83,005,000)
Proposed Bonds to be Sold in FY 2001-03				
Water/Wastewater	0	(10,000,000)	0	(15,500,000)
Park Improvements	0	(3,620,000)	0	(5,440,000)
All Others	(8,380,000)	0	(6,560,000)	0
<b>Debt Margin Available</b>	<b>\$25,573,910</b>	<b>\$183,293,032</b>	<b>\$34,504,666</b>	<b>\$195,120,553</b>

- (1) Article 9, Section 8 – Arizona Constitution  
 (2) FY 2001-02 is based upon an estimated secondary assessed value of \$1,437,815,161, compared to the FY 2000-01 secondary assessed value of \$1,356,429,397. FY 2002-03 is based upon an estimated secondary assessed value of \$1,495,327,767.

The objective of the City of Tempe debt management policy is to maintain the City's ability to incur present and future debt at the most beneficial interest rates in amounts needed for financing the adopted Capital Improvements Program without adversely affecting the city's ability to finance essential City services.

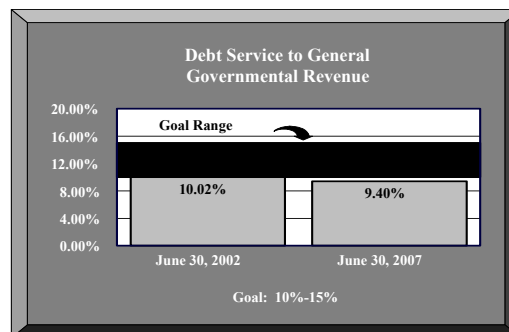
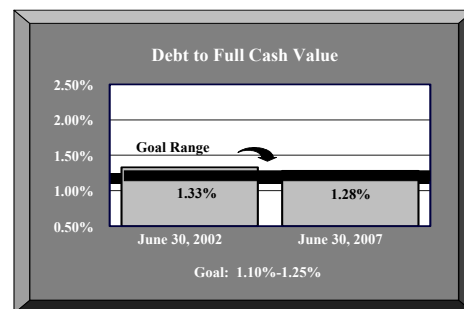
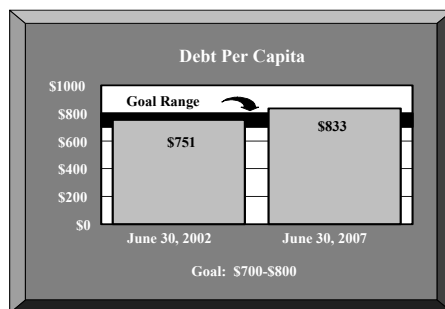
### Policy Statements:

- A six-year capital improvement program will be developed and updated annually along with corresponding anticipated funding sources.
- Capital projects financed through the issuance of bonded debt will be financed for a period not to exceed the useful life of the project.
- Debt service schedules will be based upon level annual principal and interest payments.
- Capital improvement operating budget

impacts will be coordinated with the development of the Operating Budget.

- Pay-as-you-go financing, at a minimal level of at least 5%, will be an integral part of each capital program.
- Benchmark ratios of per capita debt, debt service to operating revenue, and outstanding debt as a percent of full cash value will be updated regularly and incorporated into the Debt Management Plan. (All debt is tax supported and does not include enterprise or overlapping debt.)

*Note: The data below is based on an average G.O. debt issuance of \$12.0 million in fiscal years 2001-02 through 2006-07.*



## Debt Service Schedule



### FY 2001-02

	Original Issue	Outstanding 7-1-01	Direct Principal	Direct Interest	Fiscal Agent Pay- ments	2001-02 Total Requirements
<b>General Purpose</b>						
Existing Debt:						
1992B General Obligation	5,100,000	1,215,000	280,000	80,344		360,344
1993A General Obligation	3,850,000	3,035,000	160,000	153,315		313,315
1994 General Obligation	4,000,000	3,180,000	155,000	175,875		330,875
1995 General Obligation	5,600,000	4,640,000	230,000	247,525		477,525
1997 General Obligation	4,000,000	3,520,000	145,000	193,903		338,903
1998 General Obligation	4,035,000	4,035,000	775,000	190,365		965,365
1998A General Obligation	10,500,000	9,285,000	370,000	436,750		806,750
1999 Certificates of Participation	5,110,000	4,270,000	460,000	195,685		655,685
2001A General Obligation	3,300,000	3,300,000	90,000	169,400	35,000	294,400
<b>Total Existing Debt</b>	<b>45,495,000</b>	<b>36,480,000</b>	<b>2,665,000</b>	<b>1,843,162</b>	<b>35,000</b>	<b>4,543,162</b>
2002 Planned New Debt:						
General Obligation	6,000,000	6,000,000	163,107	360,000	105,000	628,107
<b>Total General Purpose</b>	<b>59,238,500</b>	<b>49,851,250</b>	<b>3,319,357</b>	<b>2,589,098</b>	<b>140,000</b>	<b>6,048,455</b>
<b>Streets</b>						
Existing Debt:						
1992A General Obligation	8,665,000	1,255,000	520,000	65,628		585,628
1992B General Obligation	4,000,000	990,000	225,000	65,400		290,400
1993A General Obligation	4,800,000	4,650,000	0	240,770		240,770
1994 General Obligation	3,500,000	2,780,000	135,000	153,800		288,800
1995 General Obligation	9,400,000	7,765,000	400,000	414,325		814,325
1997 General Obligation	4,500,000	3,960,000	165,000	218,141		383,141
1998 General Obligation	3,390,000	3,390,000	650,000	159,955		809,955
1998A General Obligation	9,500,000	8,405,000	335,000	395,325		730,325
2001A General Obligation	6,700,000	6,700,000	180,000	343,823		523,823
<b>Total Existing Debt</b>	<b>54,455,000</b>	<b>39,895,000</b>	<b>2,610,000</b>	<b>2,057,167</b>		<b>4,667,167</b>
2002 Planned New Debt:						
General Obligation	6,000,000	6,000,000	163,107	360,000		523,107
<b>Total Streets</b>	<b>60,455,000</b>	<b>45,895,000</b>	<b>2,773,107</b>	<b>2,417,167</b>	<b>0</b>	<b>5,190,274</b>
<b>Golf Enterprise</b>						
Existing Debt:						
1993 Tempe Municipal Property	1,400,000	735,000	105,000	41,555	3,000	149,555
<b>Total Golf Fund</b>	<b>1,400,000</b>	<b>735,000</b>	<b>105,000</b>	<b>41,555</b>	<b>3,000</b>	<b>149,555</b>
<b>Excise Tax Revenue Obligations</b>						
2000A \$17.310 Excise Tax Ob.	7,743,500	7,371,250	491,250	385,936		877,186
2000A \$17.310 Excise Tax	5,035,000	2,612,500	2,612,500	101,656		2,714,156
Rio Salado (CFD)						
1998 Excise Tax Revenue Obligation	40,500,000	40,500,000		2,025,000	110,000	2,135,000
Transit						
2000A \$17.310 Excise Tax Ob.	4,531,500	2,351,250	2,351,250	91,491	2,500	2,445,241
<b>Total Excise Tax Revenue Obligations</b>	<b>57,810,000</b>	<b>52,835,000</b>	<b>5,455,000</b>	<b>2,604,083</b>	<b>112,500</b>	<b>8,171,583</b>

	Original Issue	Outstanding 7-1-01	Direct Principal	Direct Interest	Fiscal Agent Payments	2001-02 Total Requirements
<b>Water/Wastewater Enterprise</b>						
Existing Debt:						
1992A General Obligation	23,120,000	6,170,000	3,100,000	322,375		3,422,375
1992B General Obligation	8,400,000	1,780,000	410,000	117,688		527,688
1993A General Obligation	8,655,000	8,320,000	0	431,068		431,068
1994 General Obligation	6,500,000	5,170,000	250,000	285,925		535,925
1995 General Obligation	11,300,000	9,335,000	480,000	498,075		978,075
1997 General Obligation	6,000,000	5,280,000	225,000	290,854		515,854
1998 General Obligation	5,330,000	5,330,000	1,025,000	251,518		1,276,518
1998A General Obligation	17,500,000	15,475,000	620,000	727,950		1,347,950
2001A General Obligation	14,000,000	14,000,000	380,000	718,488	71,000	1,169,488
<b>Total Existing Debt</b>	<b>105,840,000</b>	<b>73,472,500</b>	<b>9,102,500</b>	<b>3,745,597</b>	<b>71,000</b>	<b>12,919,097</b>
2002 Planned New Debt:						
General Obligation	10,000,000	10,000,000	271,846	600,000	125,000	996,846
Excise Tax Obligations	3,900,000	3,900,000	106,020	234,000	100,000	440,020
<b>Total Water/Wastewater Fund</b>	<b>119,740,000</b>	<b>87,372,500</b>	<b>9,480,366</b>	<b>4,579,597</b>	<b>296,000</b>	<b>14,355,963</b>
<b>TOTAL ALL ISSUES</b>	<b>285,865,000</b>	<b>226,705,000</b>	<b>18,029,080</b>	<b>11,743,908</b>	<b>551,500</b>	<b>30,324,488</b>

**FY 2002-03**

	Original Issue	Outstanding 7-1-02	Direct Principal	Direct Interest	Fiscal Agent Payments	2002-03 Total Requirements
<b>General Purpose</b>						
Existing Debt:						
1992B General Obligation	5,100,000	935,000	295,000	57,944		352,944
1993A General Obligation	3,850,000	2,875,000	765,000	145,635		910,635
1994 General Obligation	4,000,000	3,025,000	160,000	164,638		324,638
1995 General Obligation	5,600,000	4,410,000	250,000	232,575		482,575
1997 General Obligation	4,000,000	3,375,000	160,000	184,265		344,265
1998 General Obligation	4,035,000	3,260,000	30,000	153,940		183,940
1998A General Obligation	10,500,000	8,915,000	390,000	416,400		806,400
1999 Certificates of Participation	5,110,000	3,810,000	475,000	176,365		651,365
2001A General Obligation	3,300,000	3,210,000	95,000	164,000	40,000	299,000
<b>Total Existing Debt</b>	<b>45,495,000</b>	<b>33,815,000</b>	<b>2,620,000</b>	<b>1,695,762</b>	<b>40,000</b>	<b>4,355,762</b>
2002 Planned New Debt:						
General Obligation	6,000,000	5,836,893	172,894	350,214		523,108
2003 Planned New Debt:						
General Obligation	6,000,000	6,000,000	163,107	360,000	105,000	628,107
<b>Total General Purpose</b>	<b>65,238,500</b>	<b>52,531,893</b>	<b>3,201,001</b>	<b>2,770,246</b>	<b>145,000</b>	<b>6,116,247</b>



	Original Issue	Outstanding 7-1-02	Direct Principal	Direct Interest	Fiscal Agent Payments	2002-03 Total Requirements
<b>Streets</b>						
Existing Debt:						
1992A General Obligation	8,665,000	735,000	735,000	38,588		773,588
1992B General Obligation	4,000,000	765,000	240,000	47,400		287,400
1993A General Obligation	4,800,000	4,650,000	175,000	240,770		415,770
1994 General Obligation	3,500,000	2,645,000	145,000	144,013		289,013
1995 General Obligation	9,400,000	7,365,000	415,000	388,325		803,325
1997 General Obligation	4,500,000	3,795,000	175,000	207,196		382,196
1998 General Obligation	3,390,000	2,740,000	25,000	129,405		154,405
1998A General Obligation	9,500,000	8,070,000	350,000	376,900		726,900
2001A General Obligation	6,700,000	6,520,000	190,000	333,023		523,023
<b>Total Existing Debt</b>	<b>54,455,000</b>	<b>37,285,000</b>	<b>2,450,000</b>	<b>1,905,620</b>		<b>4,355,620</b>
2002 Planned New Debt:						
General Obligation	6,000,000	5,836,893	172,894	350,214		523,108
2003 Planned New Debt:						
General Obligation	6,000,000	6,000,000	163,107	360,000		523,107
<b>Total Streets</b>	<b>66,455,000</b>	<b>49,121,893</b>	<b>2,786,001</b>	<b>2,615,834</b>	<b>0</b>	<b>5,401,835</b>
<b>Golf Enterprise</b>						
Existing Debt:						
1992 Tempe Municipal Property	1,400,000	630,000	110,000	35,780	3,000	148,780
<b>Total Golf Fund</b>	<b>1,400,000</b>	<b>630,000</b>	<b>110,000</b>	<b>35,780</b>	<b>3,000</b>	<b>148,780</b>
<b>Excise Tax Obligation Revenues</b>						
2000A \$17.310 Excise Tax	7,743,500	6,880,000	245,000	364,270		609,270
2000A \$17.310 Excise Tax Rio Salado (CFD)	5,035,000					
1998 Excise Tax Revenue Ob. Transit	40,500,000	40,500,000	1,200,000	2,025,000	110,000	3,335,000
2000A \$17.310 Excise Tax	4,531,500					
<b>Total Excise Tax Revenue</b>	<b>57,810,000</b>	<b>40,500,000</b>	<b>1,200,000</b>	<b>2,025,000</b>	<b>110,000</b>	<b>3,335,000</b>
<b>Water/Wastewater Enterprise</b>						
Existing Debt:						
1992A General Obligation	23,120,000	3,070,000	3,070,000	161,175		3,231,175
1992B General Obligation	8,400,000	1,370,000	430,000	84,888		514,888
1993A General Obligation	8,655,000	8,320,000	35,000	431,068		466,068
1994 General Obligation	6,500,000	4,920,000	265,000	267,800		532,800
1995 General Obligation	11,300,000	8,855,000	500,000	466,875		966,875
1997 General Obligation	6,000,000	5,055,000	225,000	275,993		500,993
1998 General Obligation	5,330,000	4,305,000	35,000	203,343		238,343
1998A General Obligation	17,500,000	14,855,000	645,000	693,850		1,338,850
2001A General Obligation	14,000,000	13,620,000	405,000	695,688	85,000	1,185,688
<b>Total Existing Debt</b>	<b>100,805,000</b>	<b>64,370,000</b>	<b>5,610,000</b>	<b>3,280,680</b>	<b>85,000</b>	<b>8,975,680</b>
2002 Planned New Debt:						
General Obligation	10,000,000	9,728,154	288,156	583,689		871,845
Excise Tax Obligations	3,900,000	3,793,980	112,381	227,639		340,020
2003 Planned New Debt:						
General Obligation	15,500,000	15,500,000	421,361	930,000	125,000	1,476,361
Excise Tax Obligations	20,400,000	20,400,000	554,565	1,224,000	100,000	1,878,565
<b>Total Water/Wastewater</b>	<b>155,640,000</b>	<b>113,792,134</b>	<b>6,986,463</b>	<b>6,246,008</b>	<b>310,000</b>	<b>13,542,471</b>
<b>GRAND TOTAL</b>	<b>333,765,000</b>	<b>256,575,920</b>	<b>14,283,465</b>	<b>13,692,868</b>	<b>568,000</b>	<b>28,544,333</b>

## Capital Budget, Debt Service and Property Tax Rate: Ten Year Historical Trends



Fiscal Year	Budgeted Capital Improvements Program	Outstanding Principal Debt	Debt Service Requirements P & I	Net Secondary Assessed Value	% Change in Secondary Assessed Valuation	Property Tax Rate (\$)		
						Primary	Secondary	Total
1993-94	22,357,612	152,489,990	25,507,647	863,130,790	(0.6)	.51	.89	1.40
1994-95	29,283,757	136,714,990	24,434,571	850,390,750	(1.5)	.54	.86	1.40
1995-96	22,192,124	145,830,000	29,841,317	887,858,508	4.4	.56	.84	1.40
1996-97	35,466,698	141,285,000	27,161,881	912,856,941	2.8	.57	.83	1.40
1997-98	79,717,004	173,470,000	24,533,678	993,270,348	8.8	.56	.84	1.40
1998-99	87,651,929	203,495,000	24,297,657	1,098,826,160	10.6	.54	.86	1.40
1999-00	85,587,326	197,735,000	31,836,932	1,223,438,321	11.3	.55	.85	1.40
2000-01	61,256,862	200,805,000	29,772,986	1,356,429,397	10.9	.54	.81	1.35
2001-02 (est.)	85,541,430	208,675,920	27,976,330	1,437,815,161	6.0	.53	.82	1.35
2002-03 (est.)	130,638,313	242,292,455	32,696,239	1,495,327,767	4.0	.53	.82	1.35

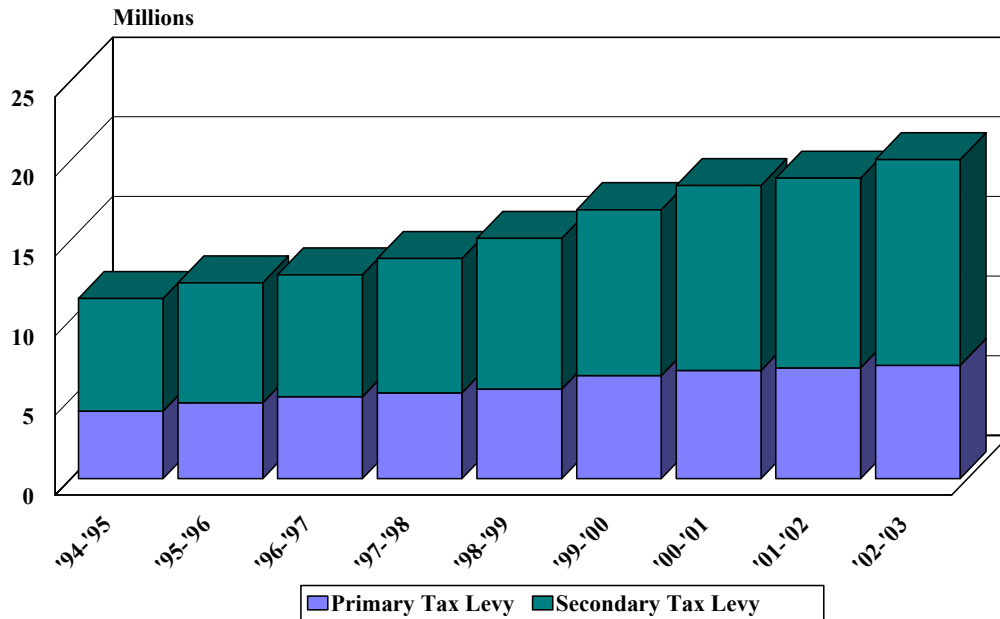
### Summary:

(1) The increase in the Capital Budget from \$35 million in FY 1996-97 to \$80 million in FY 1997-98 is principally due to the addition of the Transit and Rio Salado capital programs, while the increase from \$61 million in FY 2000-01 to \$86 million in FY 2001-02 is attributed to the AZ Cardinal stadium construction and Transit program; the increase from \$86 million in FY 2001-02 to \$131 million in FY 2002-03 comes from the addition of light-rail construction within the Transit program, and an expanded Water/Wastewater capital program; (3) the City is expecting an increase in net secondary assessed valuation that should equal or exceed the peak years of 1990-91; and (4) the City implemented a planned increase in each of the three years beginning in fiscal year 1991-92, leveling at \$1.40 per \$100 valuation in 1993-94. The City decreased the property tax rate to \$1.35 in FY 2000-01, with no change planned in FY 2001-02 or FY 2002-03.



Beginning with fiscal year 1980-81, property taxes were divided into two distinct levies, primary and secondary. The primary tax levy may be imposed for any type of municipal expenditure while the secondary tax levy may only be used to retire principal

principal and interest charges on bonded indebtedness. Primary levy increases are restricted by state statutes. However, secondary levy increases are “unlimited” in that they may be increased to the level necessary to retire bonded indebtedness.



Fiscal Year	Primary Tax Levy	Secondary Tax Levy	Total	Tax Rate/ \$100
1994-95	\$4,247,312	\$7,068,557	\$11,315,869	\$1.40
1995-96	4,760,417	7,537,093	12,297,510	1.40
1996-97	5,141,986	7,666,645	12,808,631	1.40
1997-98	5,382,818	8,449,186	13,832,004	1.40
1998-99	5,665,500	9,506,788	15,172,288	1.40
1999-00	6,145,600	10,416,336	16,561,936	1.35
2000-01*	6,799,300	11,615,100	18,414,400	1.35
2001-02*	6,956,700	11,913,000	18,869,700	1.35
2002-03*	7,117,700	12,926,100	20,043,800	1.35

\* Amounts reflect estimated receipts.



In May of 2000, the citizens of Tempe approved a Performing Arts Tax of 0.1% through a special sales tax election changing the rate from 1.7% to 1.8%, effective January 1, 2001. The property tax rate for FY 2001-02 will remain unchanged at \$1.35/\$100 assessed valuation. The City anticipates modest increases in assessed valuation as the real estate market remains strong and the City approaches build out.

The City maintains three utility services for water, sewer, and sanitation. For FY 1999-00, water and sanitation rates will not increase, while sewer rates will continue phased-in increases. Rate reviews for each of the utility services will continue annually.

### Local Taxes

#### Sales Tax

In May of 2000 voters in Tempe approved a 0.1% increase to the sales tax rate from 1.7% to 1.8% effective January 1, 2001. The proceeds from this increase are dedicated to the Visual and Performing Arts.

#### Property Tax

No increase in the property tax rate is required with this budget. The FY 2001-02 tax rate is \$1.35/\$100 of assessed valuation, unchanged from the prior year. The primary tax rate is \$0.53 and the secondary tax rate is \$0.82.

### Utility Charges for Services

#### Water/Sewer

For FY 1999-00, there will be no water rate increase. In May 1997, sewer fees increased, beginning a phased-in approach to rate increases. Rates will be adjusted this fall to attain full cost recovery, as customer charges are based upon water consumption and strength of discharge into the sewer system. Irrigation rates will be adjusted 5% effective the fall of 1999. Irrigation rates were last adjusted in July of 1997 to address irrigation rehabilitation needs.

#### Sanitation

There is no sanitation fee adjustment proposed for FY 2001-02. Our last fee adjustment of 3% was implemented in March 1998.

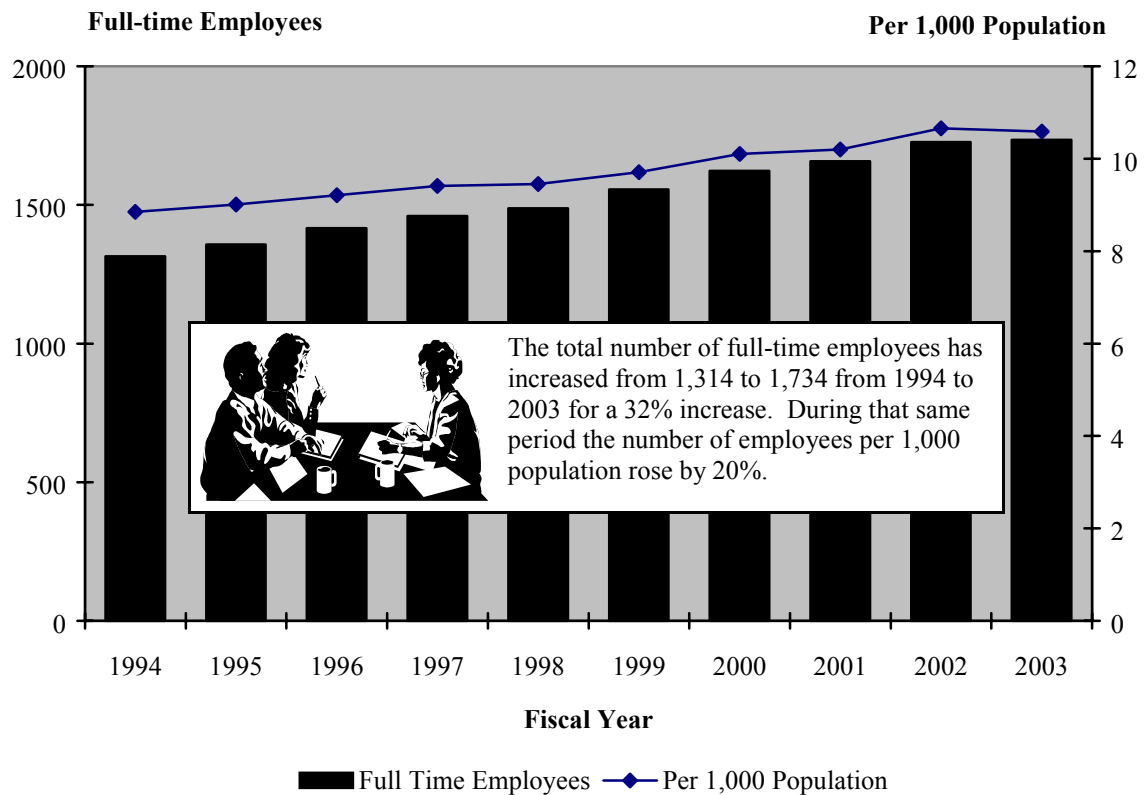
Fiscal Year	Local Taxes		Utility Charges for Services (monthly) <sup>2</sup>		
	Sales Tax <sup>1</sup>	Property Tax	Water	Sewer	Sanitation
2000-01	1.7%	\$1.35	\$20.35	\$11.79	\$11.75
2001-02	1.8%	\$1.35	\$20.35	\$11.79	\$11.75

<sup>1</sup> Sales Tax rate increased from 1.7% to 1.8% effective January 1, 2001.

<sup>2</sup> Charges reflect rates effective July 1.



The number of full-time employees for fiscal year 2001-02 totals 1,727, a 4.0% increase from the prior year, and 1,734 in fiscal year 2002-03 representing a 0.4% increase from the prior budget. Total employees per 1,000 population for 2001-02 is estimated at 10.66, a 2.9% increase from the previous fiscal year, and 10.59 in 2002-03, a 0.7% decrease from fiscal year 2001-02.



Fiscal Year-End	Full- Time Employees	Employees Per 1,000 Population
1994	1,314	8.85
1995	1,357	9.01
1996	1,416	9.21
1997	1,460	9.41
1998	1,488	9.45
1999	1,556	9.71
2000	1,628	10.27
2001	1,661	10.36
2002	1,727	10.66
2003	1,734	10.59





## **Comprehensive Financial Plan**

The following section summarizes the comprehensive financial plan which served as the cornerstone for the financial action plan and capital and operating budget decision-making. It includes long-range forecasts of revenues and expenditures, issues, trends, resource choices for all funds, and debt management program.



	<u>Page</u>
<b>Comprehensive Financial Plan Overview .....</b>	<b>80</b>
<b>Forecast Methodology .....</b>	<b>83</b>
<b>Forecast and Major Revenue Assumptions.....</b>	<b>84</b>
<b>Economic Outlook .....</b>	<b>88</b>
<b>General Fund .....</b>	<b>90</b>
<b>Transit Fund .....</b>	<b>92</b>
<b>Transportation Funds .....</b>	<b>94</b>
<b>Enterprise Funds</b>	
Water/Wastewater Fund .....	96
Sanitation Fund.....	98
Golf Fund.....	100
<b>Rio Salado and Community Facilities District Funds.....</b>	<b>102</b>
<b>Financial Action Plan .....</b>	<b>104</b>





## Introduction

The Comprehensive Financial Plan, first published in March 1991, is a vital component of Tempe's financial management strategy. Its purpose is to provide a five-year perspective on the financial condition of each of the City's major appropriated funds. As a planning tool for short-term budgetary decisions, the Plan gives us insight into the long-term implications of today's policy choices.

## Study Approach

As part of this study, the Management and Budget Section within Financial Services has established financial models that examine the City's appropriated operating funds and their underlying revenue and expenditure structures for the period of fiscal year 2001-2002 through fiscal year 2005-06.

Forecast models are presented along with trends, forecasts, and fund balances for each of the major funds.

Operating funds examined include the:

- General Fund
- Transportation Fund
- Transit Fund
- Water/Wastewater Fund
- Sanitation Fund
- Golf Fund
- Rio Salado Fund

## Major Study Findings

Highlights of the major findings and conclusions from the long-range financial study follow:

(A) The City continues to have strong fund balances and reserves. This is best depicted by the following:

- The City's unrestricted fund balance in the

General Fund totaled \$38.6 million as of June 30, 2000. This balance represents 31.1% of FY 1999-01 total General Fund revenue (25% is the working guideline used by the City as an optimum fund balance level).

- Self-insurance reserve of \$9.4 million (considered adequately protected from potential liability claims).
- Restricted debt service reserves of \$7.6 million, sufficient to absorb debt obligations over the next five years.
- Water/Wastewater fund balance of \$56.4 million provides necessary coverage for operating and capital expenses and critical strategic flexibility over the next several years.
- The City enjoys bond ratings of:  
"AAA" --Fitch,  
"AA+" --Standard and Poor's  
"Aa1" --Moody's

(B) Revenue growth and operating surpluses in the General Fund have allowed the City to address high priority needs in public safety, information technology, development and community services. Annual operating surpluses, in the General Fund, are expected to decrease over the next five years as the economy enters a period of predicted slower growth, affecting economic-sensitive revenue sources (such as the sales tax).

(C) The successful transit tax proposal in September 1996, increasing the sales and use tax rate by one half of one percent should provide sufficient revenue for transit purposes through the end of the forecast period. It should be noted that Light-Rail operating impacts are planned to occur in FY 2006-07, which is beyond the five year horizon of this report.

(D) Our projection is for continued reductions

in our percentage share of state revenues for transportation from the Highway User Revenue Fund (HURF) and the state Lottery as Tempe's share of statewide population falls. This factor, combined with expenditure growth, may produce a deficit condition in the Transportation Funds in future years.

(E) The Water/Wastewater Fund may require further rate increases over the next five years to meet the fiscal impact of water/wastewater compliance and sewer capacity demands. These costs are driven primarily by federally mandated modifications at the 91<sup>st</sup> Avenue Wastewater Treatment Plant, increased sewage processing capacity, along with compliance required improvements.

In the near term, we expect rate adjustments to occur in the wastewater operation, utilizing a phased-in approach to bring wastewater into full cost recovery and to ensure that all customers are charged equitably based on discharge volume and strengths. In November 1999, sewer rates were increased for residential, commercial and industrial customers as part of a planned three year phased-in rate increase to bring sewer customers closer to full cost recovery.

(F) Continued close monitoring of the Sanitation and Golf Enterprise Fund operations will be required, which may include the possibility of rate adjustments to avoid operating deficits and to maintain adequate reserves for capital needs and contingencies.



The following financial overview provides a summary of revenues, expenditures, and historical budget trends.

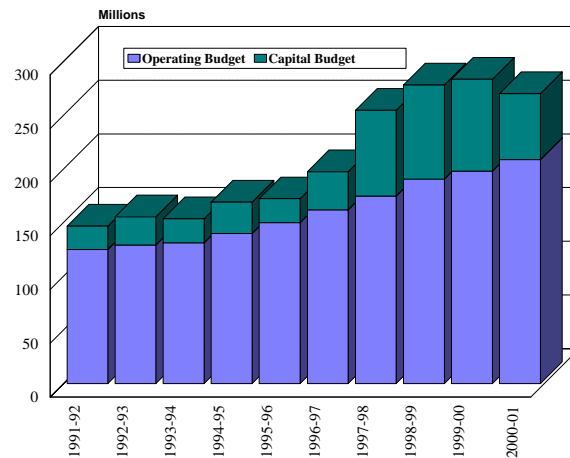
The FY 2000-01 total budget of \$270.1 million provides for a \$208.8 million operating budget and a \$61.3 million capital budget. The operating budget includes \$117.7 million of general governmental operations, \$49.9 million of enterprise operations (water/wastewater, sanitation, and golf) and \$41.2 million of special revenue operations (transportation, transit, redevelopment, and housing).

Major funding sources include \$86.0 million in local taxes (sales and property), \$34.6 million of intergovernmental revenues, \$53.3 million of enterprise revenues, and \$49.5 million of special revenues (Transit, Highway User, Lottery, Community Development Block Grant and Section 8 Housing).

Total budgeted revenues for FY 2000-01 are \$270.1 million, with operating revenues of \$242.4 million and the remainder from bond proceeds and other CIP funding. General Governmental revenues combine for \$139.5 million of the total operating revenues, including \$49.5 million of special revenues. Enterprise revenues represent the remainder of total operating revenues, most of which derives from water/wastewater service charges and user fees.

Summary overviews of FY 2000-01 appropriations and revenues provide a base reference for the fund specific forecast models that follow. A ten year history of budget trends is depicted in the following graphs.

Ten Year Budget Trends



Fiscal Year	Operating Budget	Capital Budget	Total Budget
2000-01	\$222,169,282	\$67,408,152	\$289,577,434
1999-00	197,926,204	85,587,326	283,513,530
1998-99	190,459,638	87,651,929	278,111,567
1997-98	174,865,699	79,717,004	254,582,703
1996-97	162,042,739	35,466,698	197,509,437
1995-96	150,047,736	22,192,124	172,239,860
1994-95	139,929,485	29,283,757	169,213,242
1993-94	131,123,501	22,357,612	153,481,113
1992-93	129,172,994	26,199,719	155,372,713
1991-92	124,937,849	21,825,485	146,763,334



Forecasting as used in this report refers to the estimating of the future values of revenues and expenditures. It provides an estimate of how much revenue will be available and the resources required to meet current service levels and programs over the forecast period, along with an understanding of how the total financial program will be affected by the demographic and economic factors driving these forecasts. The value of forecasts is in estimating whether, given assumptions about local financial policies and economic trends, the City will have sufficient resources to meet the resource requirements of ongoing, planned, or mandated programs. Forecast models have the added value of providing a planning tool for capital projects and/or whether bonded indebtedness will be required for capital funding. In short, forecasting provides an estimate of the financial flexibility of the City, as well as insight into tax, revenue, and service options the Council must address.

Our forecasting methodology reflects a combination of internal analysis and locally generated consensus forecasts covering such factors as population growth, retail sales, and inflation. Specifically, for the revenue forecasts, we begin with models that include prior year actual collections and project the balance of the current fiscal year based on prior year patterns. For the remaining years of the revenue forecast, we look to consensus forecasts (such as the Bank One Arizona Blue Chip Forecast, Western Blue Chip Economic Forecast, and AZB/Arizona Business published by the ASU College of Business) for an indication of the expected trends in key economic and demographic indicators. Typically, these forecasts cover the state or the metro-Phoenix area as a whole, so adjustments to reflect unique conditions in Tempe are sometimes necessary. In general, we seek to match revenue sources with the economic and/or demographic variables that most directly affect year-to-year changes in those revenues. For example, a revenue such as the city sales tax will reflect consensus forecasts related to

taxable sales growth; whereas, revenue from building permits and plan review will be tied to the expected trends in development and redevelopment. Other revenues, such as those from recreation services, are linked to Tempe's expected population growth. By identifying and utilizing as many revenue-related variables as possible in our forecast, we hope to minimize the risks of overstating or understating revenues that could arise from using only a few variables to forecast all revenue sources.

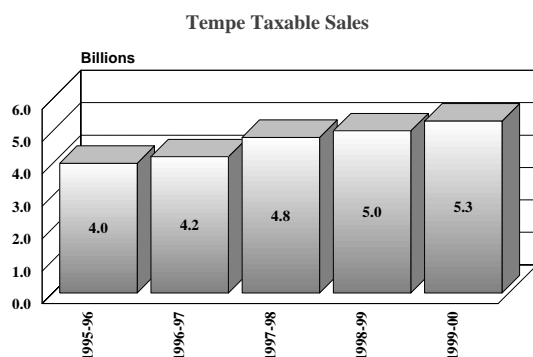
For expenditures, growth is most closely linked to two major factors: 1) inflation (including general inflation, market adjustments to salaries, and changes in benefits costs), and 2) City financial policies related to the amount of new funding added each year for new programs and/or the expansion of existing programs (including new funding associated with Capital Improvement Program projects). As with our revenue forecasts, we consider consensus forecasts related to general inflation (particularly the trends projected). For certain expenditure categories (such as fuel and utilities), we apply inflation factors that reflect the historical rate of price inflation in these categories relative to overall inflation. Amounts for new programs and/or program expansions are assumed to be constant over the forecast period (same amount is added to each year of the forecast).



Our approach to forecasting, in general, is to apply a conservative philosophy that will produce our long-term goal of not overstating revenues nor understating expenditures. We recognize that economic forecasting is not an exact science and at times relies upon the best professional judgement of the forecaster. To reduce the risks of miscalculating revenues or expenditures, we attempt to identify as many factors as possible that may contribute to changes in revenues and expenditures. The City's revenue and expenditure budgets are comprised of many unique elements that respond to a variety of external factors such as population growth, development, inflation, and interest rates. The following provides our assumptions relating to major revenues and expenditures.

### ■ *Tempe Taxable Sales*

Taxable sales in Tempe have increased an average of \$256 million each year over the past five years, indicative of continued development in Tempe and the strong local economy. As the table below shows, taxable sales are \$1.3 billion (33%) higher in FY 1999-00 than total taxable sales in FY 1995-96.

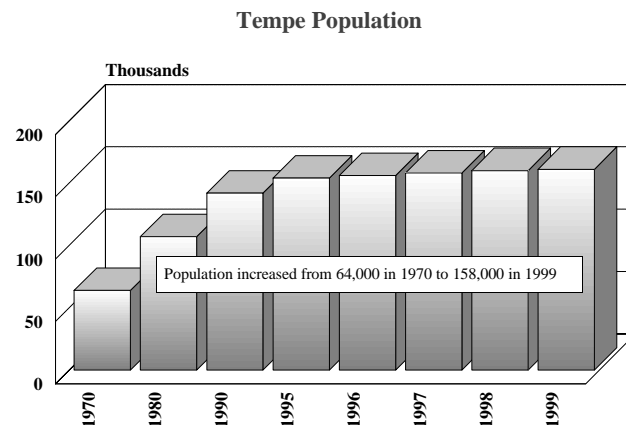


In the forecast, General Fund retail sales are expected to increase by 5.1% in FY 2000-01, with the level of growth gradually slowing over the period of the forecast, with 3.6% annual growth being the norm in the later years of the forecast. This declining rate of growth is based on the predictions of economists for an expected economic downturn over the next 2-3 years.

This level of expected growth covers all forms of sales that generate sales tax revenue for the City. The primary categories of sales (based on FY 1999-00 annual averages) are retail sales (52%), commercial and residential rent (17%), utility sales (9%), restaurant sales (7%), and building materials sales (7%). Construction sales are expected to decline sooner than retail and other sales as a slowdown in construction typically precedes an overall economic downturn.

### ■ *Population*

Population in Tempe is assumed to increase by 1.08% in FY 2000-01, with the rate of growth gradually declining over the forecast period to 1.01% annual growth by FY 2005-06. State population growth is assumed to average 2.7% per year over the next five years.

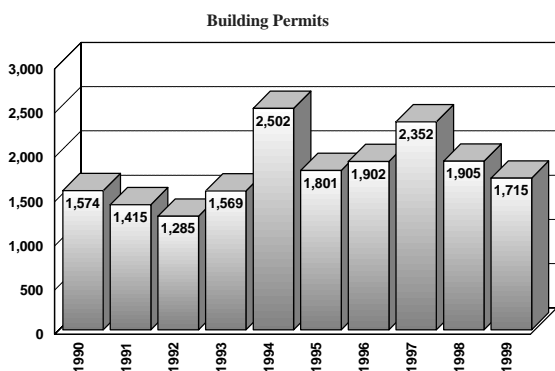


Following the strong population growth period of the late 1970's (5.3%) and the 1980's (2.8%), Tempe is expected to experience steady but slower population growth as land use approaches build out. To a large extent the revenue growth of the 70's and 80's was fueled by the City's population growth. Continued population growth statewide and in Maricopa County in particular has been credited for much of the increased state revenues during the latest economic expansion. While Tempe is now seeing the benefit of statewide population growth through increased state-shared revenue, our slower pace of growth relative to other cities could produce a smaller

share of the statewide pool of funds after the 2000 Census. That decline will affect our FY 2001-02 revenues. Our long-range revenue forecasts reflect these economic assumptions and the estimated impact of the 2000 census.

#### ■ **Development/Redevelopment**

New housing and commercial starts (construction activity) are expected to decline to a moderate level of activity as the City's undeveloped land approaches build-out. Building permit activity for 2001 should decline, after the 1997 peak during this latest construction cycle. While we expect redevelopment efforts to sustain some level of construction activity, we have conservatively assumed a level of growth equivalent to the projected rate of population growth.



#### ■ **State-Shared Revenue**

For purposes of the forecast, we have assumed that State law related to shared revenue distributions will remain unchanged.

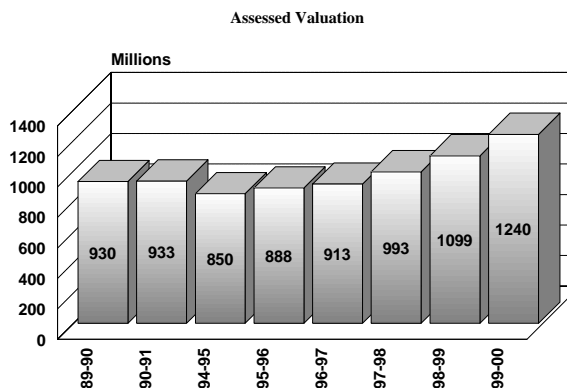
Recent tax cuts enacted by the state Legislature have contained provisions holding cities and towns harmless from potential reductions in state-shared revenues, although action in the 1998 legislative session to further reduce the state income tax did not contain a hold harmless provision, meaning that locally-distributed funds will bear a proportionate share of the expected revenue reduction. This latest state income tax cut will affect FY 2000-01 revenues and could result in a \$275,000 reduction in state-shared revenues for Tempe. The forecast reflects this potential loss in FY 2000-01 and its impact on subsequent years.

The temptation to tap the state-shared revenues may persist over the next five years. Therefore our assumption that state revenue distribution formulas will not change may prove to be overly optimistic as the state is faced with the task of balancing its budget.

#### ■ **Assessed Valuation**

Throughout the 1980's, Tempe experienced growth in net secondary assessed valuations. In 1990 this trend began to slow, and in 1991 net secondary assessed valuations increased by only 0.3%. From 1991 through FY 1994-95, Tempe experienced a decline in assessed valuation resulting from a countywide decrease in assessed valuations reflective of the general decline in the real estate market and a methodological change from a "cost" to an "incomes" approach by the county assessor for valuing commercial real estate.

In FY 1999-00, Tempe's secondary assessed valuation was up by 12.9%, following 10.6%



growth the prior year. Consistent with the City's Debt Management Plan, the forecast assumes a 9.3% annual increase in assessed valuation in FY 2000-01, with assessed value growth gradually slowing over the period of the forecast to 3.50% by FY 2005-06. In November 1999, the Maricopa County Assessor's Office implemented a two-year cycle of valuations of residential, vacant land, and agricultural properties. This will cause a freeze on property valuations and incur a fiscal impact of approximately \$227,000 to the City of Tempe in FY 2002-03.

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■ ***Interest Rates/Cash Balances***

Interest revenue is expected to increase modestly in most funds, while yields tied primarily to short-term government interest rates are expected to average 5.5% for FY 2000-01 and declining to 5.0% in FY 2005-06. Some planned, short-term drawdowns of cash balances may occur periodically over the period of the forecast, reducing interest earnings.



### ■ *Salaries and Wages*

On the expenditure side, we have assumed a salary and wage market adjustment of 3.5% in FY 2000-01 and in all subsequent years through FY 2005-06. Any planning for the next several years must address the issue of compensation because of its significant expenditure impact. For example, every one percent change in compensation has an estimated expenditure impact of \$700,000 to the General Fund and another \$150,000 to the Enterprise Funds. It is obvious that whatever policy decision is made with regard to compensation scenarios will have a profound effect on future decision-making options.

### ■ *Fringe Benefits*

Health insurance costs continue to rise at a range of 12-15% annually. Market forces, the movement towards managed care, and an excellent claims history had contained the growth in the City's health care costs for a time, but we are now seeing a resumption of growth in excess of general inflation, much of which is derived from higher claims costs.

Our expectation is that health care costs will rise at a rate exceeding the overall Consumer Price Index. Historically, annual growth in the health care component of the metro-Phoenix CPI has been nearly 50% above annual growth in the overall CPI. Retiree health care cost will continue to rise as our work force matures and greater percentages of employees retire.

### ■ *Inflation (Consumer Price Index)*

Inflation is expected to increase by 3.75% in FY 2000-01, growing to 4.00% annually for the later years of the forecast. For those areas where exceptions are anticipated, we have factored in higher inflation impacts specific to those costs. One unknown cost that may prove to be understated is the cost of fuel, which may undergo significant price fluctuations over the period of these projections.

### ■ *Supplemental Limits*

For the period of the forecast, we have assumed that recurring General Fund

supplemental funding will be limited to \$750,000 for FY 2000-01 and declining to \$500,000 in FY 2005-06 ("supplemental" refers to additional funding for new initiatives, Council priorities, and other new funding).

### ■ *Capital Improvement Program Operating Budget Impacts*

An important aspect of the City's Capital Improvement Program is the identification of operating budget impacts associated with capital projects. Over the period of the forecast, we estimate that CIP projects will add \$750,000 in annual recurring costs to the General Fund until FY 2004-05 and then decreases to \$500,000 in FY 2005-06. Along with the supplemental limit, a limit for new funding associated with CIP projects will be evaluated annually.

### ■ *State Expenditure Limitation*

The City's FY 2000-01 total financial program is estimated at \$270.1 million, including capital improvements. In May 1996, Tempe citizens approved a budget override to the state imposed expenditure limitation, allowing the City to permanently adjust its FY 1979-80 base budget. The City's base expenditure level of \$29,579,379 established in FY 79-80 increased by \$15 million to \$44,579,379 in FY 1996-97. The new expenditure limitation in FY 2000-01 is \$161,592,142, with allowable exclusions totaling \$128 million.

At the time of the latest voter-approved expenditure limitation adjustment, the City estimated that the new base budget adjustment would be sufficient for 10 years, barring the addition of any major programs. The expanded Transit program, added as a result of the 1996 Transit tax ballot measure, is such a program. Our new estimates show we will have sufficient expenditure limit authority through FY 2003-04. The plan is to seek a similar permanent base adjustment (as was approved in 1996) during the May 2002 General City election to cover expenditures associated with recently budgeted projects and programs.

### *Economic Outlook*

Following the mild recession in mid 1990 to



1991, both the local and state economies have enjoyed a prolonged robust period. The metropolitan Phoenix area has been among the nation's leading major metropolitan areas in population and job growth, factors that have undoubtedly benefited Tempe. Tempe's economy, along with those of other Phoenix area cities have also become stronger through increased diversification.

In 1993 Arizona's and Tempe's economic growth accelerated, driven largely by a surge in construction and later joined by growth in other sectors. Construction, however, appears to have peaked during this cycle and will likely decline during the next few fiscal years.

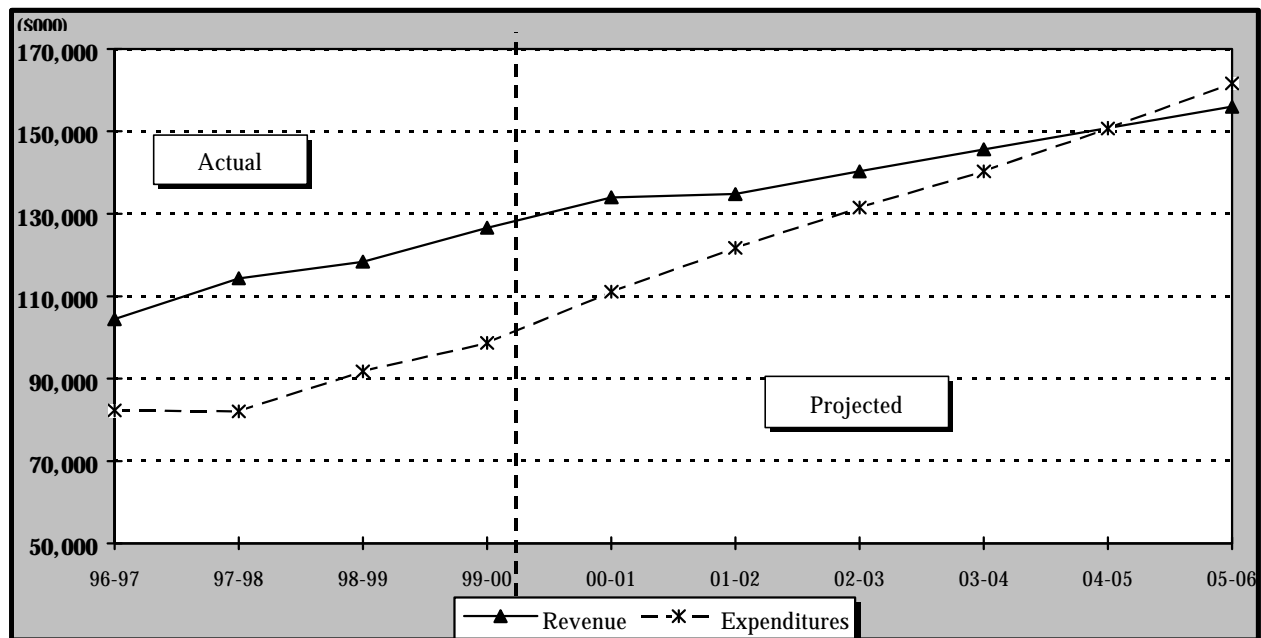
The outlook is for economic growth to continue for the next year or two, but at gradually slowing rates. The consensus among state economic forecasters is for continuing moderate growth in the Arizona economy for the year 2001 and a mild downturn thereafter.

The duration of the economic expansion may largely be a function of Federal Reserve policy, inflation, and the rate of economic growth. Due to the relatively low cost of living and moderate tax burden, the Arizona economy should continue to do well, even with a slow-down in the economy. It is predicted that Arizona's performance relative to other states will continue to be favorable.



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## General Fund: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Local Taxes	57,195	64,014	64,682	68,567	73,941	78,079	81,649	85,293	88,846	92,387
Intergovernmental	26,670	29,026	32,625	36,055	38,251	35,119	37,093	38,726	40,308	41,841
Bldg & Trades/Plan & Zoning	3,693	4,119	2,738	2,958	3,142	3,013	2,893	2,786	2,691	2,605
Cultural and Recreation	3,508	3,762	3,915	4,204	3,852	3,894	3,933	3,973	4,012	4,053
Fines, Fees and Forfeitures	3,269	3,700	4,440	4,778	4,683	4,733	4,781	4,829	4,878	4,927
Business Licenses	937	947	1,100	605	971	971	971	971	971	971
Interest Income	5,217	5,764	5,596	5,940	6,000	5,500	5,500	5,500	5,500	5,500
Franchise Fees	1,019	1,368	1,221	1,281	1,136	1,209	1,273	1,339	1,403	1,466
Other Revenue Sources	2,957	1,630	2,022	2,246	2,038	2,253	2,253	2,253	2,253	2,253
<b>Total Revenue</b>	<b>104,463</b>	<b>114,331</b>	<b>118,338</b>	<b>126,635</b>	<b>134,013</b>	<b>134,770</b>	<b>140,345</b>	<b>145,668</b>	<b>150,861</b>	<b>156,002</b>
<b>Expenditures (\$000)</b>										
Personal Services	61,704	64,646	71,247	79,005	87,472	95,067	102,184	109,366	117,982	127,109
Materials and Supplies	5,250	5,543	5,955	6,324	6,484	6,867	7,275	7,697	8,151	8,623
Fees and Services	11,597	14,013	15,477	15,268	18,161	19,086	20,056	21,039	22,072	23,124
Travel and Training	750	729	903	955	992	1,041	1,092	1,144	1,199	1,255
Non-Dept/Contributions	1,829	2,039	2,009	2,330	2,200	3,943	5,335	5,605	5,890	6,183
Capital Outlay	3,703	2,478	2,396	2,687	2,595	2,732	2,876	3,020	3,171	3,324
Loan Repayment	268	268	268	268	268	268	268	268	268	268
Trans Maintenance of Effort	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Internal Services/Adj.	(4,654)	(9,533)	(8,341)	(10,063)	(8,932)	(9,176)	(9,417)	(9,635)	(9,856)	(10,054)
<b>Total Expenditures</b>	<b>82,297</b>	<b>82,031</b>	<b>91,763</b>	<b>98,625</b>	<b>111,089</b>	<b>121,676</b>	<b>131,518</b>	<b>140,354</b>	<b>150,726</b>	<b>161,680</b>
Designated for Capital Projects	22,165	32,300	26,575	28,009	22,925	13,094	8,827	5,314	135	0
<b>Net Operating Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(5,678)</b>



### Trend/Forecast

In the early 1990's the City experienced declining annual surpluses as expenditure growth exceeded revenue growth by as much as 5%-6% per year. In response to this situation, the City invoked three years of spending reductions to slow the rate of expenditure growth. The success of the expenditure reduction strategy alone was limited, however, because it coincided with a slow-down of the national and regional economy.

The outlook for the General Fund improved dramatically in 1993 with voter approval of an increase in the sales tax rate from 1.0% to 1.2%. The sales tax increase was projected to add \$5 to \$6 million each year and keep the General Fund fiscally sound. That expectation has been confirmed, while improvements in retail sales and commercial development have also bolstered General Fund revenue.

Annual operating surpluses should decline, however, as revenue growth slows as a result of a predicted downturn in the economy over the next 2-3 years. In addition, our share of locally-distributed state income, sales and vehicle license tax revenues are projected to decline in FY 2001-02 as the 2000 Census shows Tempe's expected declining percentage of statewide population. Our forecast is for operating surpluses to decline such that an operating deficit within the forecast period appears in FY 2005-06. In the assumptions related to future revenue and expenditure growth, it appears that over the long-term, the current economic growth trend is not sustainable and thus leads to operating deficits within this forecast horizon.

An important caveat to our projections concerns the issue of state-shared revenues, which has come under attack in recent years and may in the future. Income and vehicle license tax reductions enacted at the state level in recent years have been mitigated in part by a strong state economy and population growth. In addition, the state has recently assumed

significant responsibilities for funding the capital costs of local school districts and alternative fuel vehicles. Our concern as a local government is how the state will balance its budget when the economy inevitably slows. Close monitoring of the Legislature's efforts to alter the distribution formulas for state-shared revenues or to enact laws that may narrow the local tax base will be required.

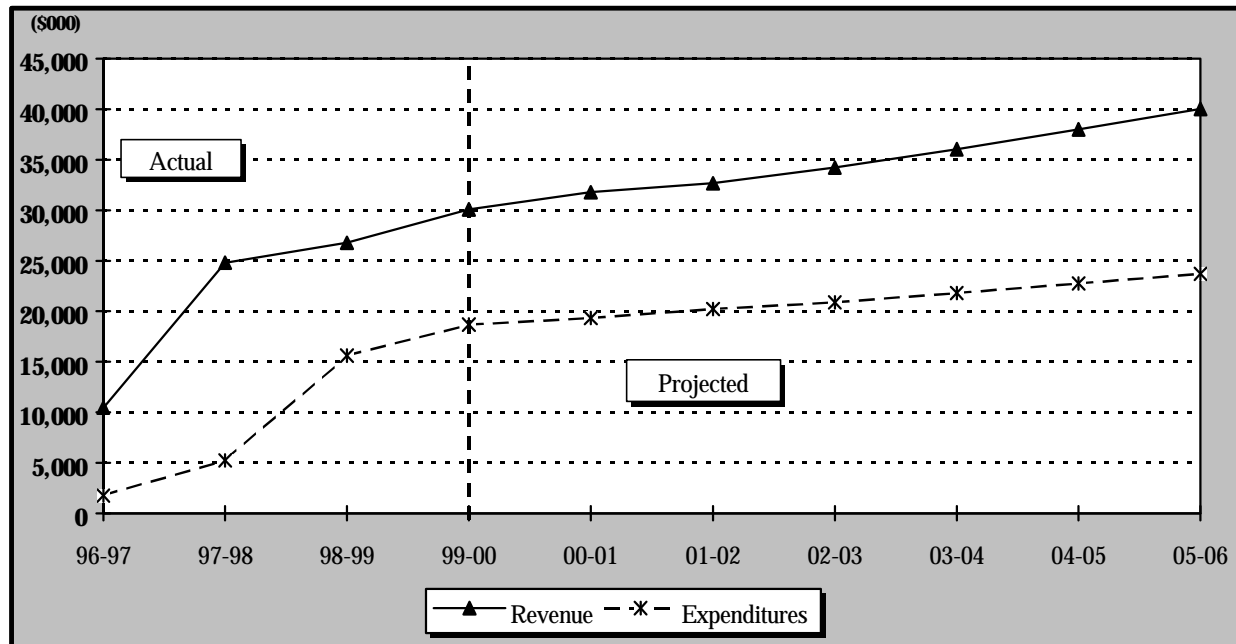
Policy choices made now regarding annual supplemental limits will have a significant impact on the long-term condition of the General Fund. The forecast assumes that new, recurring funding will be limited to \$750,000 for FY 2001-02 and will decline to \$500,000 in FY 2005-06. The operating budget impact of capital projects are estimated to average \$750,000 in FY 2001-02 and will also decline to \$500,000 in FY 2005-06.

### Fund Balance

The General Fund's unreserved fund balance has grown from \$23.2 million just six years ago to \$38.6 million for FYE 2000. Over the next several years, we anticipate some drawdown of fund balances primarily for "pay-as-you-go" capital financing, bringing the General Fund balances in line with the financial policy of 25% of General Fund revenues.

FYE	Unreserved Fund Balance
92	\$10,765,333
93	10,143,466
94	14,121,709
95	23,196,449
96	28,590,826
97	30,639,891
98	34,682,895
99	38,201,087
00	38,615,537

## Transit Fund: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Transit Tax	10,429	23,212	24,542	26,384	28,610	29,926	31,272	32,586	33,889	35,245
Lottery Transfer In	0	340	334	325	305	302	298	294	290	286
ASU-Flash Transit	0	316	532	1,407	279	279	279	279	279	279
Interest Income	0	931	1,375	1,936	2,300	1,780	1,850	2,260	2,810	3,350
Miscellaneous Revenue	11	1	4	23	290	397	509	626	748	877
<b>Total Revenue</b>	<b>10,440</b>	<b>24,800</b>	<b>26,787</b>	<b>30,076</b>	<b>31,784</b>	<b>32,683</b>	<b>34,208</b>	<b>36,044</b>	<b>38,016</b>	<b>40,037</b>
<b>Expenditures (\$000)</b>										
Personal Services	133	512	807	1,110	1,262	1,326	1,413	1,506	1,612	1,724
Materials and Supplies	12	99	60	29	21	22	22	23	24	25
Fees and Services	1,580	3,926	7,563	11,927	14,645	17,731	18,224	18,996	19,757	20,548
Travel and Training	7	23	28	53	41	28	30	30	30	30
Capital Outlay	13	95	61	170	5	50	52	54	56	58
Debt Service	0	73	6,837	4,748	2,351	0	0	0	0	0
Internal Service Charges	3	15	23	494	860	909	962	1,018	1,077	1,141
Indirect Cost Allocations	0	484	213	154	157	163	170	176	183	190
<b>Total Expenditures</b>	<b>1,749</b>	<b>5,228</b>	<b>15,592</b>	<b>18,685</b>	<b>19,343</b>	<b>20,229</b>	<b>20,872</b>	<b>21,803</b>	<b>22,739</b>	<b>23,717</b>
Designated for Capital Projects	101	9,680	2,975	9,272	12,441	12,454	13,335	14,241	15,277	16,319
<b>Net Operating Surplus/ (Deficit)</b>	<b>8,590</b>	<b>9,892</b>	<b>8,220</b>	<b>2,119</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

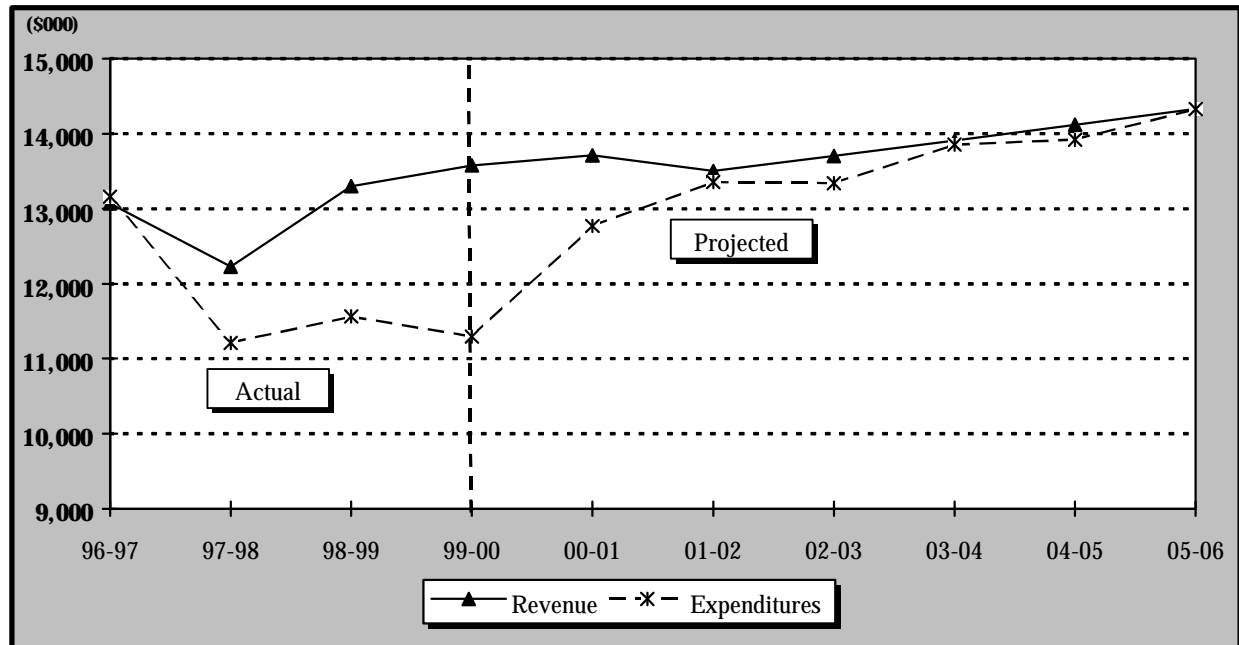
**Trend/Forecast**

Since the transit tax is a component of the overall City sales tax, the growth trend projected in General Fund sales tax revenue is mirrored here in the Transit Fund. Revenue growth is projected to slow in the later years of the forecast as the economy enters a mild downturn.

The pattern of growth reflected in the expenditure estimates relies upon the 10-Year Transit Business Plan and the assumptions made in that plan regarding the expansion of routes and the acquisition of new buses. The forecast is for planned fund surpluses in the early years due primarily to the implementation time required to expand routes. However, expenditures are expected to increase as the plan is more fully implemented. In FY 1997-98, the first full year of the transit tax, operating expenses were \$5.2 million. By the end of the forecast period, expenses are estimated to climb to \$23.7 million.

<b>FYE</b>	<b>Unreserved Fund Balance</b>
97	\$8,552,661
98	18,450,631
99	26,673,832
00	28,793,058

## Transportation Funds: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Highway User Revenue Tax	9,810	9,684	10,781	11,074	11,240	11,038	11,248	11,462	11,680	11,901
State Lottery Proceeds	1,144	1,020	1,001	976	926	914	902	890	878	867
ASU-Flash Transit	243	0	0	0	0	0	0	0	0	0
Maintenance of Effort	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Transfer	0	(340)	(334)	(325)	(305)	(302)	(298)	(294)	(290)	(286)
Lottery Transfer to Transit	0	(340)	(334)	(325)	(305)	(302)	(298)	(294)	(290)	(286)
Other Revenue	23	14	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>13,070</b>	<b>12,228</b>	<b>13,299</b>	<b>13,575</b>	<b>13,710</b>	<b>13,500</b>	<b>13,702</b>	<b>13,908</b>	<b>14,118</b>	<b>14,332</b>
<b>Expenditures (\$000)</b>										
Personal Services	2,850	2,903	3,001	3,141	3,447	3,601	3,836	4,091	4,378	4,686
Materials and Supplies	551	509	446	523	557	579	601	624	649	675
Fees and Services	1,611	1,455	1,324	1,434	1,640	1,714	1,791	1,873	1,960	2,054
Capital Outlay	291	351	369	254	546	567	589	612	636	661
Debt Service	4,726	4,534	4,603	4,000	4,300	4,500	4,000	4,000	3,500	3,300
Transit Routes/Dial-A-Ride	1,377	0	0	0	0	0	0	0	0	0
Loan Repayment	356	356	356	356	356	356	356	356	356	356
Internal Service Charges	460	473	532	609	815	846	878	913	949	987
Indirect Cost Allocations	940	630	935	978	1,108	1,194	1,287	1,386	1,493	1,608
<b>Total Expenditures</b>	<b>13,162</b>	<b>11,211</b>	<b>11,565</b>	<b>11,295</b>	<b>12,770</b>	<b>13,356</b>	<b>13,338</b>	<b>13,855</b>	<b>13,920</b>	<b>14,326</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>(93)</b>	<b>1,017</b>	<b>1,734</b>	<b>2,280</b>	<b>940</b>	<b>145</b>	<b>364</b>	<b>53</b>	<b>198</b>	<b>6</b>



### Trend/Forecast

Small surpluses are expected through the forecast period, although unforeseen circumstances could easily push this fund into a deficit condition. We have already witnessed a reduction in our allocations of HURF and Lottery revenues resulting from Tempe's declining percentage of statewide population. We expect that the results of the 2000 census will further worsen the situation, contributing to the problems we are forecasting for this fund. With only small surpluses projected over the period of the forecast, limited resources will be available to address transportation capital project needs.

One approach now in place to minimize operating deficits is to limit debt service payments to established caps (\$4.5 million in FY 2001-02, down to \$3.3 million by FY 2005-06). Any excess General Obligation debt service requirements beyond this cap will be absorbed by the Debt Service Fund. Over the longer term, we will need to monitor the level of General Obligation tax-supported debt applied to Transportation projects and the resulting impact on the Debt Service Fund, being aware that opportunities for pay-as-you-go financing of capital projects will be limited.

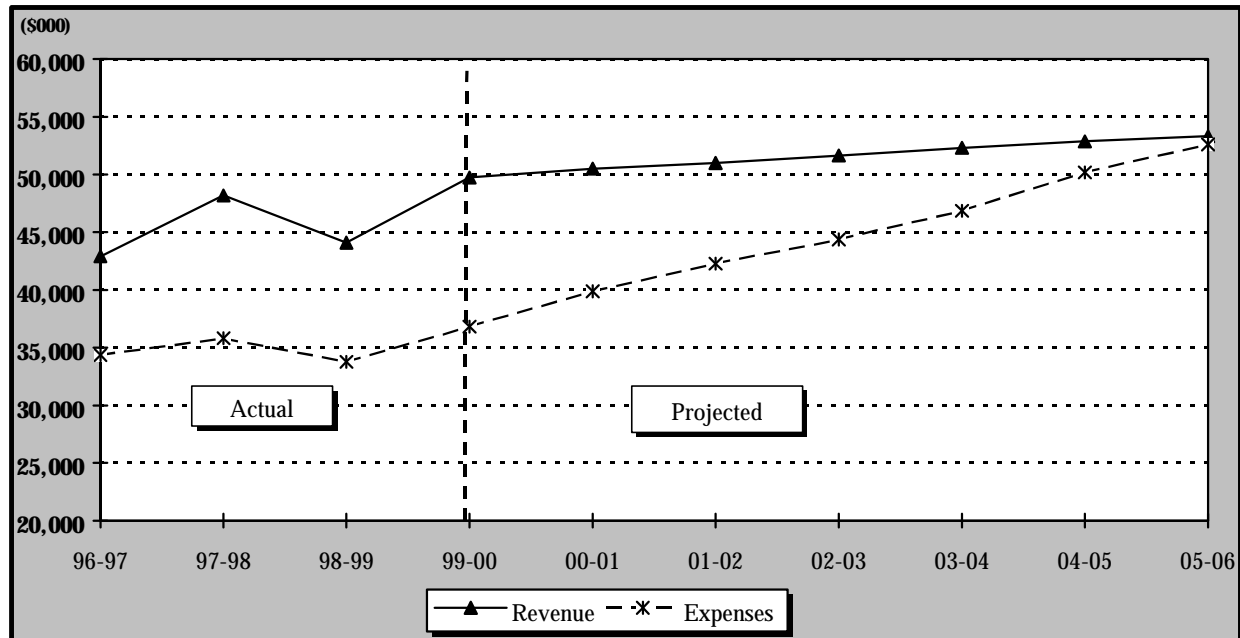
### Fund Balance

Transportation Fund balances have recovered somewhat from the lows experienced a few years ago. Maintaining an adequate fund balance for contingencies and transfers for capital projects will become a difficult challenge with little or no revenue growth. No relief on the expenditure side can be found as the cost of inflation and debt service requirements appear to be factors that will be with us throughout the forecast period.

FYE	Unreserved Fund Balance
93	\$1,002,647
94	2,127,532
95	3,686,673
96	3,300,576
97	3,326,715
98	4,092,879
99	5,792,212
00	7,592,808



# Water/ Wastewater Fund: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Charges for Service-Water	26,151	26,993	25,086	27,152	28,473	28,775	29,063	29,354	29,647	29,943
Charges for Service-Wastewater	13,744	16,955	15,021	17,519	17,587	17,775	17,955	18,135	18,318	18,502
Interest Income	1,990	2,697	2,912	3,727	3,300	3,300	3,490	3,670	3,770	3,720
Land and Facility Rental	498	490	490	495	500	490	490	490	490	490
Loan Repayment	413	397	380	624	624	624	624	624	624	624
Other Miscellaneous Rev.	116	665	210	213	24	24	24	25	25	25
<b>Total Revenue</b>	<b>42,913</b>	<b>48,198</b>	<b>44,098</b>	<b>49,729</b>	<b>50,508</b>	<b>50,988</b>	<b>51,646</b>	<b>52,297</b>	<b>52,874</b>	<b>53,305</b>
<b>Expenses (\$000)</b>										
Personal Services	7,024	7,031	7,332	7,623	8,402	8,665	9,234	9,847	10,540	11,283
Materials and Supplies	2,046	2,625	2,242	1,995	2,427	2,519	2,616	2,718	2,825	2,938
Fees and Services	9,153	9,063	7,714	7,890	9,834	10,276	10,750	11,238	11,704	12,197
Travel and Training	67	65	78	79	71	74	77	80	83	86
Depreciation Expense	7,960	8,021	8,143	8,605	9,294	10,037	10,840	11,708	12,644	13,656
Share of 91 <sup>st</sup> Avenue Depreciation	553	753	1,187	3,096	1,750	1,760	1,770	1,780	1,780	1,780
Debt Svc Intrst/Fiscal Agent Fees	3,909	3,835	3,751	3,831	4,052	4,636	4,508	4,605	5,276	4,989
Internal Service Charges	1,732	2,457	1,585	1,557	1,851	2,026	2,216	2,420	2,641	2,880
Indirect Cost Allocations	1,904	1,960	1,715	2,133	2,186	2,269	2,357	2,449	2,545	2,647
<b>Total Expenses</b>	<b>34,349</b>	<b>35,810</b>	<b>33,749</b>	<b>36,809</b>	<b>39,866</b>	<b>42,262</b>	<b>44,367</b>	<b>46,844</b>	<b>50,038</b>	<b>52,456</b>
Designated for Capital Projects	0	0	894	6,387	4,198	580	583	178	150	150
<b>Net Operating Surplus/ (Deficit)</b>	<b>8,564</b>	<b>12,388</b>	<b>9,456</b>	<b>6,532</b>	<b>6,443</b>	<b>8,146</b>	<b>6,696</b>	<b>5,276</b>	<b>2,686</b>	<b>699</b>



## Trend/Forecast

The sewer rate increase approved by the Council in November 1999 appears to be having the intended effect of eliminating, at least in the short-term, a projected deficit condition in the Water/Wastewater Fund. The primary intent of this rate adjustment was to ensure full cost recovery in the wastewater operation. Additionally, the new rate structure is intended to equitably charge all customers based on the volume and strength of discharges. The November increase was part of the planned phased-in sewer rate increase, with the goal of achieving full cost recovery by the third year.

The need for further rate adjustments in the sewer service area will be reviewed annually. Uncertainties still exist regarding the impact of the new usage and "strength-based" rate structure on the major industrial customers. The new rate structure may have the effect of encouraging these customers to reduce discharges or at least alter the strengths of discharges, both of which could substantially reduce revenues. Such changes should produce reductions in the City's shared cost of operating the 91<sup>st</sup> Avenue facility, although those reductions may not mirror revenue losses. Thus, the long-term outlook for this fund could change substantially depending to large extent on 91<sup>st</sup> Avenue costs.

As the long range forecast predicts, the Water/ Wastewater Fund may enter a deficit condition by the end of the forecast period as the growth in treatment costs outpace revenue growth. For the purposes of the forecast, we have assumed no further rate adjustments. As more data becomes available revealing the longer term impact of the new rate structure, this assumption must be revisited. Throughout the forecast period, pay-as-you-go financing for Water/Wastewater Capital Improvements Program will continue to be utilized to help offset higher debt service costs.

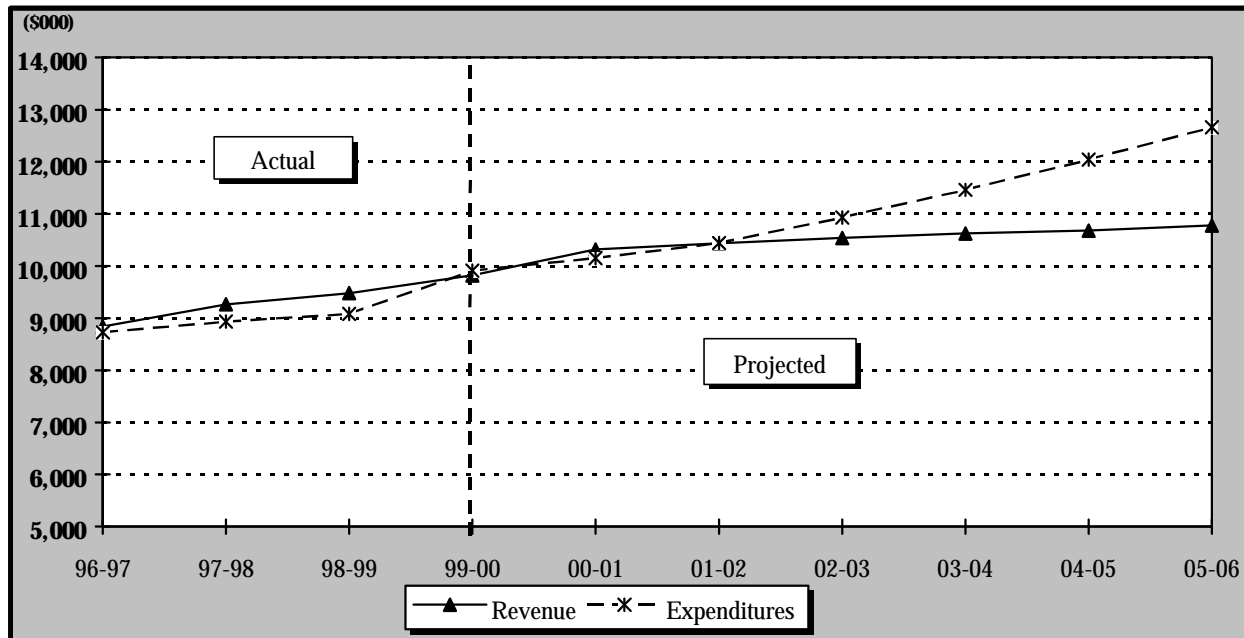
## Unreserved Retained Earnings

A history of Water/Wastewater Fund balances shows the drawdown that occurred in the early 1990's as the result of pay-as-you-go financing for infrastructure improvements. To illustrate, unreserved retained earnings were \$22.9 million at FYE 90 and were drawn down as low as \$14.3 million in FYE 91, before being built back up to \$56.4 million by FYE 00.

Over the period of this forecast, healthy fund balances should be retained, notwithstanding the impact of compliance driven contingencies. With \$40.0 million in projected FY 2000-01 expenses, the \$56.4 million fund balance provides 141% coverage to operating expenses in this fund, providing a degree of flexibility likely to be required in the future.

FYE	Unreserved Retained Earnings
92	\$18,217,298
93	20,667,194
94	21,671,776
95	24,383,051
96	33,746,270
97	36,796,384
98	41,020,060
99	55,159,498
00	56,434,920

## Sanitation Fund: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Charges for Services	8,493	8,822	9,132	9,407	10,040	10,144	10,246	10,349	10,452	10,557
Sludge Disposal	143	218	223	123	210	212	214	217	219	221
Interest Income	95	123	126	100	70	79	79	57	11	0
Other Revenue Sources	107	101	0	193	0	0	0	0	0	0
<b>Total Revenue</b>	<b>8,838</b>	<b>9,264</b>	<b>9,481</b>	<b>9,823</b>	<b>10,320</b>	<b>10,435</b>	<b>10,539</b>	<b>10,622</b>	<b>10,682</b>	<b>10,778</b>
<b>Expenses (\$000)</b>										
Personal Services	2,589	2,596	2,769	3,029	3,181	3,326	3,547	3,786	4,057	4,348
Materials and Supplies	166	203	440	342	155	161	167	174	180	188
Fees and Services	2,877	2,905	2,882	2,875	2,988	3,102	3,221	3,347	3,479	3,619
Depreciation	890	897	915	1,206	1,217	1,228	1,239	1,250	1,261	1,272
Loan Repayment-Interest Only	48	42	137	137	137	16	8	0	0	0
Internal Service/Adj.	1,587	1,529	1,388	1,617	1,821	1,930	2,047	2,172	2,305	2,448
Indirect Cost Allocations	571	763	550	708	653	678	704	731	760	790
<b>Total Expenses</b>	<b>8,728</b>	<b>8,935</b>	<b>9,082</b>	<b>9,913</b>	<b>10,153</b>	<b>10,440</b>	<b>10,933</b>	<b>11,458</b>	<b>12,042</b>	<b>12,664</b>
<b>Net Operating Surplus</b>	<b>111</b>	<b>329</b>	<b>399</b>	<b>(90)</b>	<b>167</b>	<b>(5)</b>	<b>(394)</b>	<b>(836)</b>	<b>(1,360)</b>	<b>(1,886)</b>



### Trend/Forecast

With the FY 1999-00 shortfall in this fund, sanitation rates were modified to fully recover the cost of the sanitation operation and replacement obligations. Although, an industrial, commercial, and residential rate increase was implemented in November 1999, shortfalls are still projected over the course of the forecast period (assuming no further rate increases are enacted). Unexpected increases in personal services, landfill usage charges, recycling costs, and inflation could worsen projected shortfalls in this fund beyond our estimates.

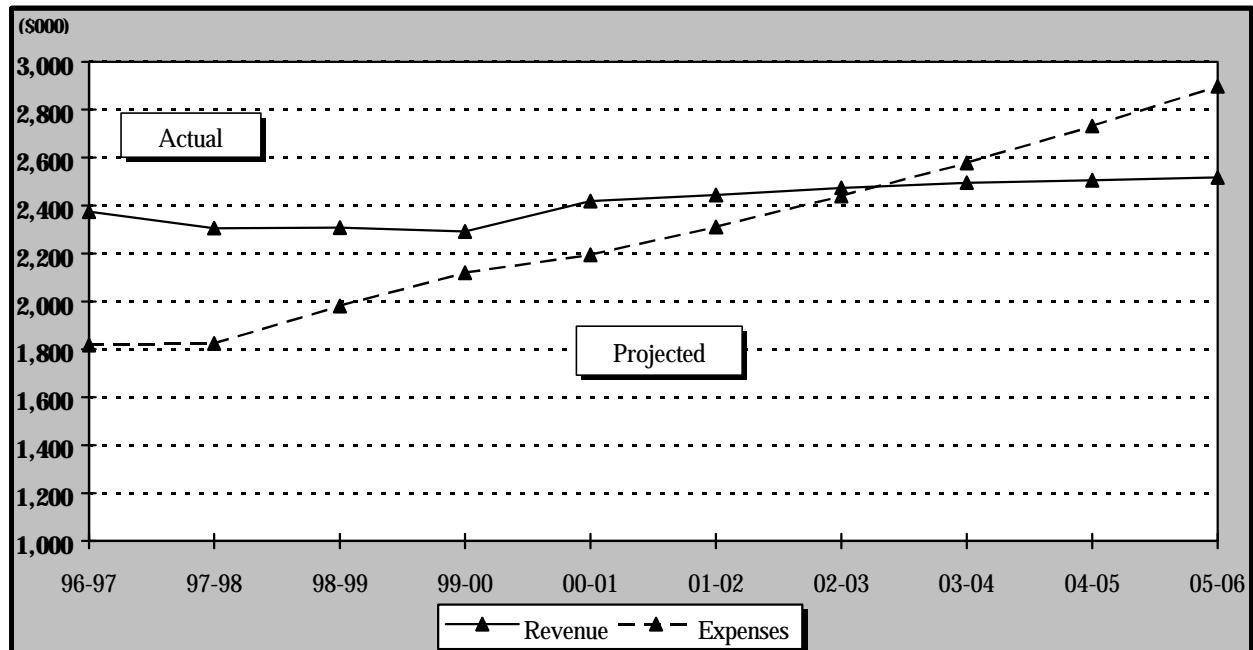
FYE	Unreserved Retained Earnings
93	\$1,672,646
94	1,442,692
95	1,542,782
96	1,135,131
97	1,623,386
98	1,979,294
99	2,168,155
00	1,162,872

Sanitation rates will be subject to annual rate reviews to ensure that the fund remains fully self-sufficient and to smooth the effect of potential rate adjustments on the City's residential and commercial customers.

### Unreserved Retained Earnings

There is a \$1,162,872 fund balance in the Sanitation Fund, providing 11.5% coverage to estimated FY 2000-01 expenses of \$10.2 million. Unreserved retained earnings in this fund may be depleted by FY 2005-06 without an increase in rates. With environmental mandates always present, this enterprise operation will require as much financial flexibility as possible for contingent compliance driven costs.

## Golf Fund: Projected Revenue and Expenditures



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
Greens Fees	2,068	1,990	1,982	1,942	2,183	2,207	2,229	2,252	2,274	2,297
Pro Shop and Restaurant Revenue	262	243	250	284	218	220	223	225	227	229
Interest Income	27	66	76	86	86	110	120	120	110	100
Other Revenue Sources	17	7	0	23	0	0	0	0	0	0
Transfer to Fund Youth Programs	0	0	0	(44)	(69)	(94)	(97)	(101)	(105)	(109)
<b>Total Revenue</b>	<b>2,374</b>	<b>2,305</b>	<b>2,309</b>	<b>2,292</b>	<b>2,419</b>	<b>2,444</b>	<b>2,474</b>	<b>2,495</b>	<b>2,506</b>	<b>2,517</b>
<b>Expenses (\$000)</b>										
Personal Services	826	792	790	834	911	969	1,034	1,105	1,186	1,274
Materials and Supplies	110	146	140	188	146	152	158	164	171	177
Fees and Services	305	296	396	326	373	388	403	420	438	456
Depreciation	265	279	305	354	330	347	366	387	410	435
Debt Service Interest	70	64	61	55	47	42	36	30	23	16
Internal Service Charges	116	96	102	134	155	172	191	212	234	257
Indirect Cost Allocations	126	151	187	229	233	242	251	261	271	282
<b>Total Expenses</b>	<b>1,818</b>	<b>1,824</b>	<b>1,981</b>	<b>2,120</b>	<b>2,195</b>	<b>2,311</b>	<b>2,439</b>	<b>2,578</b>	<b>2,732</b>	<b>2,897</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>556</b>	<b>481</b>	<b>328</b>	<b>173</b>	<b>224</b>	<b>133</b>	<b>35</b>	<b>(83)</b>	<b>(226)</b>	<b>(380)</b>



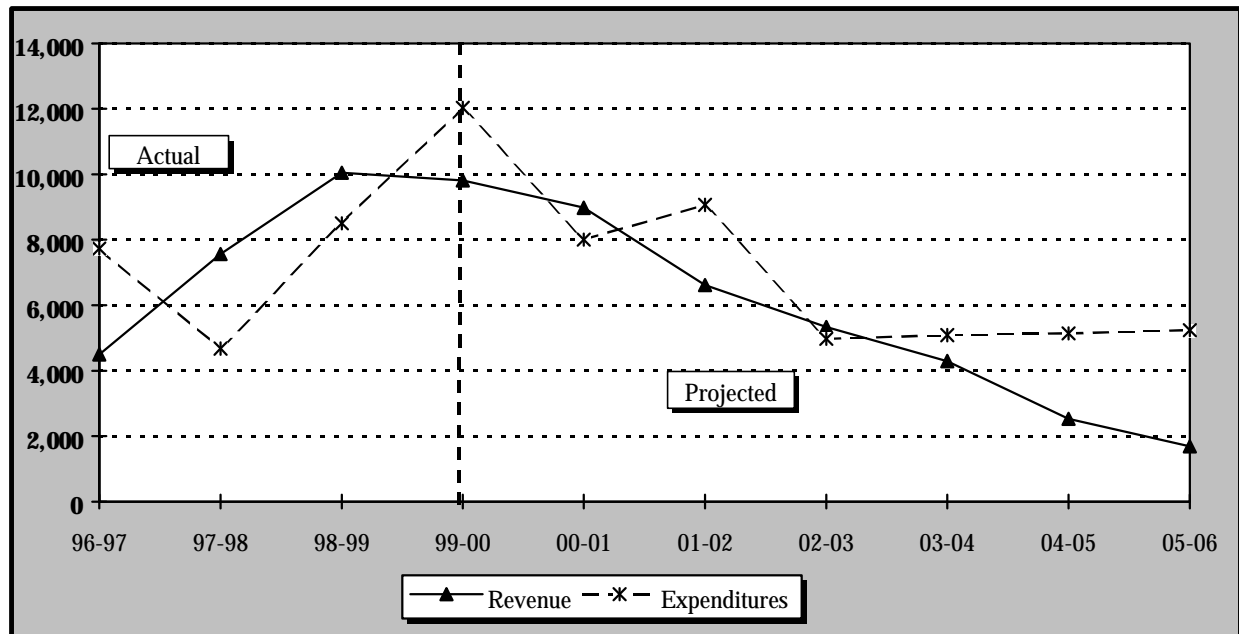
### **Trend/Forecast**

Over the forecast period, we expect revenue growth to generally follow the historical use patterns, although other unpredictable factors such as weather conditions, may improve or worsen the revenue picture. Given our revenue assumptions, the Golf Fund could experience a deficit condition beginning in FY 2002-03, provided no rate adjustments are approved by the Council. As with the City's other self-supporting Enterprise operations, annual rate reviews will be conducted to maintain a favorable financial position in the Golf Fund.

### **Unreserved Retained Earnings**

After six consecutive years of fund balance losses the trend was reversed, at least in the short-term, in FY 1995-96 as increased rounds of play bolstered the reserve to over \$350,000. Fiscal years 98-99 through 99-00 proved to be good years as the fund ended the FY 99-00 with a balance of \$1,538,156. This balance will provide some flexibility in funding current and future capital improvements.

<b>FYE</b>	<b>Unreserved Fund Balance</b>
91	\$346,301
92	345,712
93	139,693
94	54,780
95	50,000
96	351,158
97	896,542
98	1,397,897
99	1,806,479
00	1,538,156



	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06
<b>Revenue (\$000)</b>										
General Fund Allocation	4,500	7,000	8,600	7,260	7,794	5,445	3,940	2,724	935	0
Sales Tax	0	461	685	583	580	612	639	667	667	694
Transient Lodging Tax	0	63	85	109	112	124	136	150	150	165
Interest Revenue	0	42	65	473	270	240	430	550	570	540
Sale of Real Estate	0	0	0	888	0	0	0	0	0	0
Bond Forfeiture	0	0	0	300	0	0	0	0	0	0
Other Revenue	0	0	24	33	33	33	33	33	33	33
CFD Revenue	0	0	592	173	183	158	161	163	166	255
<b>Total Revenue</b>	<b>4,500</b>	<b>7,566</b>	<b>10,050</b>	<b>9,819</b>	<b>8,973</b>	<b>6,612</b>	<b>5,339</b>	<b>4,288</b>	<b>2,521</b>	<b>1,687</b>
<b>Expenditures (\$000)</b>										
Personal Services	54	104	374	540	577	608	647	689	737	789
Materials and Supplies	0	1	21	16	59	62	64	67	69	72
Fees and Services	0	95	102	176	629	653	678	704	732	761
Travel and Training	0	0	8	46	14	19	20	22	23	25
Contributions (Aircraft Noise)	0	0	123	0	0	0	0	0	0	0
Capital Outlay	24	0	6	146	0	0	0	0	0	0
Purchase of Land	3,577	0	0	0	0	0	0	0	0	0
Internal Service Charges	0	1	63	96	68	78	89	101	114	127
CFD Administrative Credit	0	0	(62)	(440)	(440)	(457)	(475)	(493)	(513)	(533)
CFD Operating and Maintenance	0	449	258	1,940	3,606	3,623	3,641	3,659	3,679	3,699
<b>Total Expenditures</b>	<b>3,655</b>	<b>648</b>	<b>892</b>	<b>2,520</b>	<b>4,514</b>	<b>4,585</b>	<b>4,664</b>	<b>4,749</b>	<b>4,841</b>	<b>4,940</b>
Designated for Capital Projects	4,074	4,025	7,614	9,511	3,490	4,478	303	333	300	300
<b>Net Operating Surplus/ (Deficit)</b>	<b>(3,228)</b>	<b>2,893</b>	<b>1,544</b>	<b>(2,212)</b>	<b>969</b>	<b>(2,451)</b>	<b>372</b>	<b>(794)</b>	<b>(2,620)</b>	<b>(3,553)</b>



### Trend/Forecast

Rio Salado's single largest revenue source is the General Fund allocation (1/3 of any surplus). If the General Fund expenditures exceed revenue collections it will have a direct negative affect, and is depicted in the later years of this forecast.

The second largest revenue source, tax revenue, is highly responsive to changes in economic activity. The financial health of this fund is dependent on the nature of development in Rio Salado.

CFD revenue includes assessment collections from property owners and boat permits, concessions, and special event fees. Overall revenue is projected to decrease as next fiscal year reflects a price decrease in boat permits.

### Unreserved Fund Balance

The unreserved fund balance reached a high of \$5.4 million in FY 1998-99. The variations depiction of the unreserved fund balance is due to planned drawdowns to fund capital and land purchase costs.

FYE	Unreserved Fund Balance
97	\$1,138,546
98	4,031,073
99	5,440,869
00	2,534,762





### **Recommended Plan of Action**

Several recommendations are offered as key elements of a financial action plan, which can be implemented to meet future operating and infrastructure objectives. Many recommendations are intended to adjust expenditure growth in order to keep the rate of expenditure growth in line with anticipated revenue growth.

#### ■ ***Expenditure Control/Supplemental Limits***

Decreasing personnel growth has the advantage of providing both near term benefits and long-term expenditure control for the City. The addition of personnel has a greater fiscal impact on a fund than any other type of budget appropriation. Any successful effort to control spending in the General Fund or any of our funds will need to be directed at slowing the growth in personnel and associated costs. For each one percent increase in staffing levels, expenditures are increased by \$600,000 to \$750,000 per year.

We recommend a continued annual evaluation of an appropriate General Fund supplemental limit, with consideration given to our long-range revenue and expenditure forecasts and how various supplemental scenarios will affect our long-term financial condition. Over the forecast period, we have assumed a \$750,000 limit for recurring General Fund supplementals.

#### ■ ***Maintain the Current Property Tax Rate***

Given the number of unfunded Capital Improvement Program projects, the City should maintain its property tax rate at \$1.35/ \$100 of assessed value in order to provide funding for its capital program. Each \$.05 change in the property tax rate either increases or reduces the revenues by \$650,000, capable of financing \$7.5 million in projects over a 20 year period.

#### ■ ***Modified Base Budget Plan***

Continuation of a modified base budget review program is recommended. This entails a review

of departmental base budgets, with the size of modifications linked directly to financial forecasts. Modified base budgets incorporate historical spending patterns, price adjustments, and long-range forecasts, thereby limiting budgetary growth within departments.

#### ■ ***Continue to Limit Midyear Adjustments***

Even as the City effectively manages supplemental additions through the normal biennial budget process, there is a tendency to circumvent this process for additional midyear appropriations and personnel, often with little or no needs assessment, fiscal impact analysis or prioritization with other budgetary needs. The fiscal impact of these midyear adjustments poses a risk to careful long-range financial planning and should be discouraged except under unusual circumstances where an adjustment is warranted.

#### ■ ***Adhere to Debt Management Plan***

Continued commitment to the Debt Management Plan is strongly recommended. Sizing the City's Capital Improvement Program budget to the Debt Management Plan will stabilize per capita outstanding tax-supported debt while lowering annual debt service costs. This will also help to preserve our sound financial standing and bond ratings. Adoption of the Debt Management Plan has been one of the most significant financial decisions over the last decade.

#### ■ ***Comprehensive Financial Plan***

The Comprehensive Financial Plan, along with the Debt Management Plan, have served as the cornerstones of the long-term fiscal strength of the City. We recommend a continued update of this financial capacity study to provide a long-term perspective to the policy decisions of today.

#### ■ ***Identify and Limit CIP Operating Budget Impacts***

In addition to establishing a viable supplemental limit, identifying the operating budget impact of Capital Improvement Program (CIP) projects is a significant factor in achieving control over expenditure growth. We recommend continued efforts to refine the process of identifying these

impacts and ensuring that provisions are made in operating budgets for these impacts as CIP projects are approved.

#### ■ ***Financial Policies***

Continued adherence to our operating budget, debt service, capital expenditure and investment policies, while maintaining ample fund balances and reserves, is the best strategy the City has to ensure its sound fiscal position. These policies require periodic review to strengthen and update as necessary. The point here is to warn against "creative finance" solutions and the underlying impacts these solutions may have on the City in the longer term.

#### ■ ***Protect State-Shared Revenues***

It is recommended that we continue our efforts in coalition with the League of Arizona Cities and Towns to protect state-shared revenues. They are very likely to continue to be at risk over the next few years. A freeze of state-shared revenues or a significant change in distribution methodologies could pose a costly financial risk to General Fund and Transportation revenues.

#### ■ ***Economic Development/Redevelopment***

A further recommendation is to continue improving our economic development and redevelopment efforts to increase property valuation, commercial growth and job growth in the City. Effective decision-making on economic development and redevelopment will require us to evaluate the relative merits of development projects, placing emphasis on those adding the greatest value for Tempe's citizens.

#### ■ ***Review Benefits Program***

We recommend that the City explore employee benefit options to ensure that Tempe's benefits package remains competitive with other Valley cities. On the other hand, the city must also explore alternative means of minimizing expected increases in health care costs, both employee and retiree.

#### ■ ***Rio Salado Financial Plan***

We recommend the continuation of the Rio Salado Project Financial Plan, which addresses operating, maintenance costs and debt service requirements. The City has created a Community Facilities District, a legal entity with assessment and taxing authority, that will provide part of the financial strategy.

#### ■ ***Transit Plan***

With voter approval of a dedicated funding source for transit and the expansion of transit services, the City has created a 10-year Transit Plan. Also, Transit has developed an extensive benchmarking program in conjunction with the Transit Advisory Committee to evaluate services and assist in long-range planning. Both the Transit Plan and the benchmarking effort are valuable tools in the City's continued expansion of transit service and should be regularly updated.

#### ■ ***Water/Wastewater Infrastructure Costs***

Careful financial planning will be required to address the increasing capital costs associated with water infrastructure and sewage treatment, primarily at the regional 91<sup>st</sup> Avenue Plant. We recommend a financial plan that minimizes sudden spikes in rates and controls expenditure growth.

#### ■ ***Regular Review of City Fees and Charges***

Incremental increases in City fees and charges maintain the City's ability to keep pace with inflation. The City's long-term revenue outlook should include regular review of all City fees to ensure cost recovery as allowed by Council policy.

#### ■ ***Program Sunsetting***

We recommend that the City continue, through the budgetary process, the annual sunset review program. This program facilitates a review of all existing citywide programs, using evaluation criteria to serve as guides in considering the merits of sunseting an existing program.

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■ ***Strategic Issues Program***

The Strategic Issues Program has provided a linkage between the City's budget process (resource allocation) and the long-term goals of the City. The strategic issues are periodically updated and refined, while departmental budget requests are associated with strategic issues. This gives direction to the budget process and a clearer rationale for resource allocation decisions. We recommend a continuation of this process and further reinforcement of the value in linking budget requests to strategic issues.

■ ***Benchmarking/Competitive Analysis***

We recommend that the City continue its efforts in benchmarking and competitive analysis. These activities will provide the City with opportunities to evaluate and improve service delivery while enhancing accountability to the citizens.

The challenge facing the City is to position itself to manage stability as effectively as it has managed the growth in the past. Financial flexibility, which is often facilitated during rapid revenue growth periods, must be intentionally constructed through effective decision-making when managing stability. It requires reliable projections, clear priorities, effective planning, efficient systems, and continued adherence to sound fiscal guidelines. How well we manage these challenges will go a long way toward improving basic services provided our citizens, as well as improving the quality of life in the City.



## ***Revenue Information***

The following section summarizes assumptions, trends, major influences, restrictions and composition of the City's revenue sources.

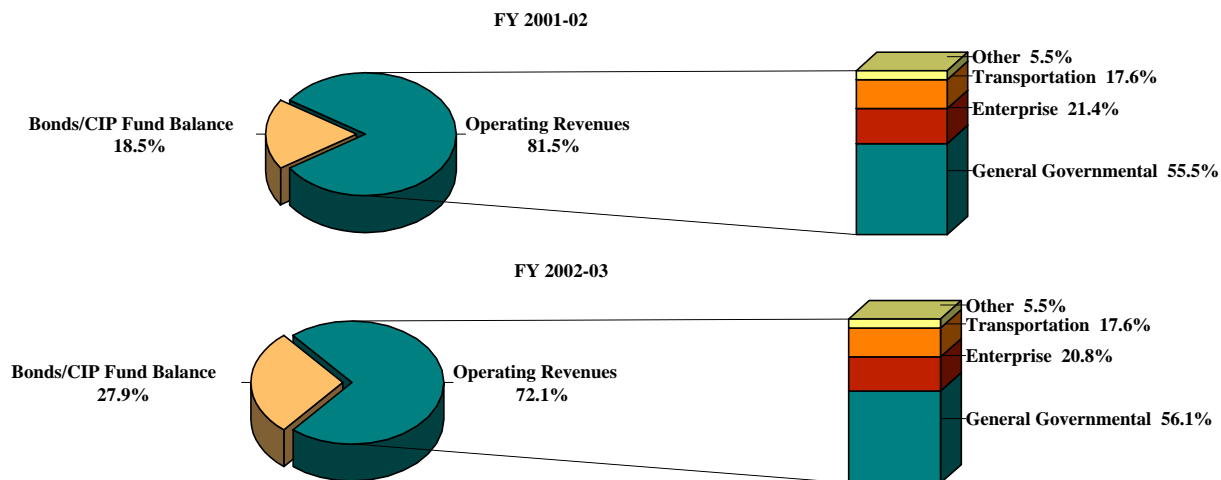


	<u>Page</u>
<b>Total Revenues</b> .....	108
<b>Components of Total Revenue</b> .....	109
<b>Total Revenue by Source</b> .....	111
<b>Comparative Revenue by Source</b> .....	112
 <b>General Governmental Revenues: Ten Year Historical Trends</b>	
City Sales Tax.....	115
City Property Tax .....	116
Transient Lodging Tax .....	117
Salt River Project In-Lieu Tax .....	118
State-Shared Sales Tax.....	119
State-Shared Vehicle License Tax .....	120
State-Shared Income Tax.....	121
Charges for Services/Recreation and Social Services .....	122
Charges for Services/Development Related .....	123
Fines and Forfeitures .....	124
Interest Earnings .....	125
 <b>Special Revenues: Ten Year Historical Trends</b>	
Transit Tax .....	126
Performing Arts Tax.....	127
Highway User Tax.....	128
Local Transportation Assistance Fund.....	129
Community Development Block Grant/Section 8 Housing Grant .....	130
 <b>Enterprise Revenues: Ten Year Historical Trends</b>	
Water and Wastewater User Fees.....	131
Sanitation Fees .....	132
Golf Course Fees .....	133

## Total Revenue

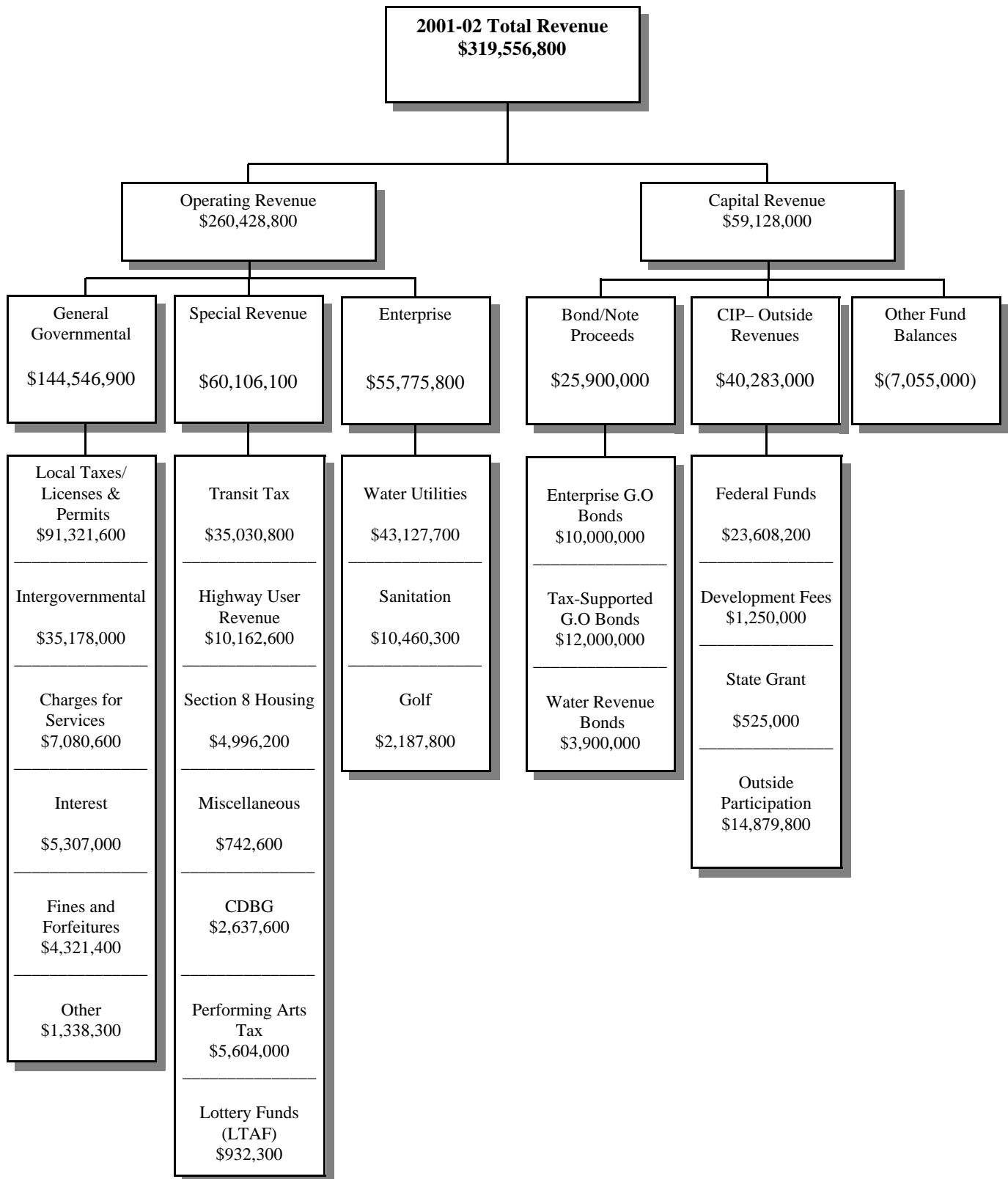


Total revenue for the biennial budget is estimated at \$319.6 million for FY 2001-02 and \$371.1 for FY 2002-03, reflecting \$260.4 million in operating revenue and \$59.2 million from Bond Proceeds, Fund Balances and Other Funding Sources in FY 2001-02, and \$267.8 million in operating revenue and \$103.3 million from Bond Proceeds, Fund Balances and Other Funding Sources in FY 2002-03. The FY 2001-02 operating revenue total represents 7.5% growth over budgeted FY 2001-02 operating revenues, with operating revenue growth expected to slow to 2.8% in FY 2002-03. The slowing revenue trend reflects sluggish taxable sales growth and decreased state-shared revenue. Bond Proceeds and Other Funding Sources will increase in the second year of the biennium, corresponding to the size of the Capital Improvements Program budget.

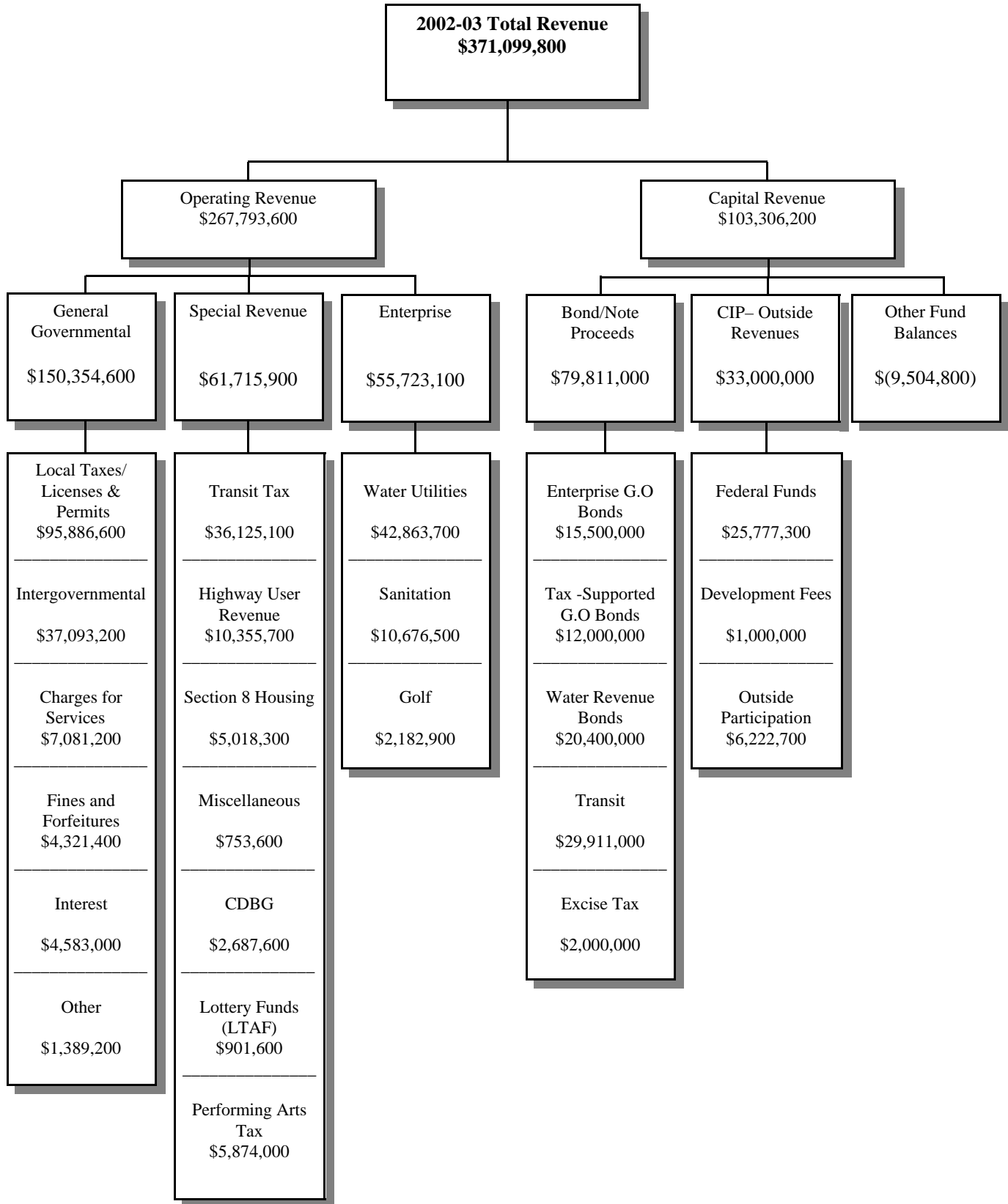


TOTAL REVENUES		
	2001-02	2002-03
<b>OPERATING REVENUES</b>		
General Governmental		
Local Taxes, Licenses and Permits	\$91,321,600	\$95,886,600
Intergovernmental	35,178,000	37,093,200
Charges for Services	7,080,600	7,081,200
Miscellaneous and Debt	10,966,700	10,293,600
Transportation/Transit	45,818,000	47,084,900
Performing Arts	5,604,000	5,874,000
CDBG/Section 8 Housing	7,633,800	7,705,900
Rio Salado Special Revenue	1,050,300	1,051,100
Enterprise	55,775,800	55,723,100
<b>TOTAL OPERATING REVENUES</b>	<b>\$260,428,800</b>	<b>\$267,793,600</b>
<b>Operating Revenue Per Capita</b>	<b>\$1,607</b>	<b>\$1,635</b>
Bond/Note Proceeds	25,900,000	79,811,000
CIP Other Funding	40,283,000	33,000,000
Fund Balances	(7,055,000)	(9,504,800)
<b>TOTAL REVENUES</b>	<b>\$319,556,800</b>	<b>\$371,099,800</b>
<b>Total Revenues Per Capita</b>	<b>\$1,972</b>	<b>\$2,266</b>

## Components of Total Revenue-FY 2001-02

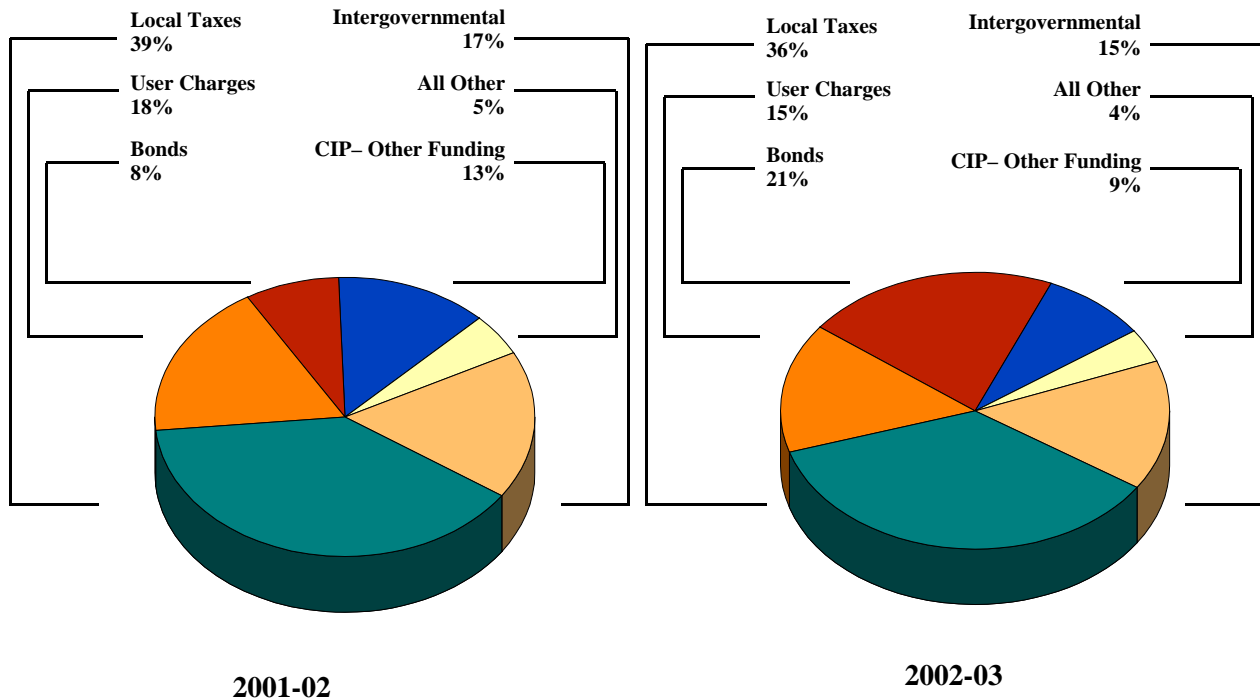


## Components of Total Revenue-FY 2002-03





## Total Revenue by Source



### Where the Money Comes From

Revenue Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Local Taxes</b>				
Local Sales Taxes	\$62,285,300	\$65,971,300	\$69,261,100	\$72,708,900
Transit Tax	26,384,500	27,609,500	29,193,000	30,506,000
Other Local Taxes	19,433,500	21,198,200	21,636,800	22,778,800
Performing Arts		1,900,000	5,500,000	5,740,000
<b>User Charges</b>				
Water/Wastewater	41,156,200	39,260,300	39,454,600	39,489,500
Sanitation	9,406,900	10,188,100	10,301,900	10,518,000
Community Services	4,204,000	3,899,000	3,777,000	3,777,600
Building/Trades & Planning/Zoning	2,957,600	3,550,000	3,303,600	3,303,600
<b>Intergovernmental</b>				
State-Shared Revenue	36,055,300	38,250,500	35,178,000	37,093,300
HURF/LTAF	13,575,000	13,700,200	10,787,200	10,959,800
CDBG/Section 8 Housing	7,014,200	7,953,400	7,633,800	7,705,900
<b>All Other</b>				
Interest Revenue	13,538,800	12,357,500	10,440,500	9,059,800
Miscellaneous Revenue	8,667,500	7,333,700	8,490,100	8,668,100
Fines and Forfeitures	4,709,700	4,179,200	4,321,400	4,310,500
Licenses and Permits	1,200,500	1,360,000	1,149,800	1,173,800
<b>Bonds/Note Proceeds</b>	22,000,000	22,000,000	25,900,000	79,811,000
<b>CIP - Outside Revenues*</b>	8,647,000	8,647,000	40,283,000	33,000,000
<b>Other - Fund Balance</b>	1,201,200	280,100	(7,055,000)	(9,504,800)
<b>Total Revenue</b>	<b>\$282,437,200</b>	<b>\$289,638,000</b>	<b>\$319,556,800</b>	<b>\$371,099,800</b>

\* Includes Federal and State Grants and Residential Development Tax and Fees.

## Comparative Revenue by Source



Revenue Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>General Fund</b>				
Local Taxes				
City Sales Tax	\$59,967,700	\$63,566,000	\$66,744,000	\$70,081,00
Primary Property Tax	6,145,600	6,799,300	6,956,700	7,117,700
Transient Lodging Tax	1,625,300	1,713,000	1,782,000	1,853,000
<i>Total Local Taxes</i>	67,738,600	72,078,300	75,482,700	79,051,700
Intergovernmental Revenue				
State Income Tax	17,045,900	17,950,500	16,542,100	17,747,400
State Sales Tax	13,511,400	14,400,000	12,676,900	13,386,800
Vehicle License Tax	5,498,000	5,900,000	5,959,000	5,959,000
<i>Total Intergovernmental</i>	36,055,300	38,250,500	35,178,000	37,093,200
Building & Trades/Planning & Zoning				
Building Permit Fees	1,210,100	1,149,600	1,149,600	1,149,600
Plan Check Fees	694,700	660,000	660,000	660,000
Electrical Permit Fees	207,400	207,400	207,400	207,400
Planning & Zoning Fees	555,200	742,200	517,200	517,200
Other Bldg & Trades Fees	290,200	790,800	769,400	769,400
<i>Total Bldg &amp; Trds/Plan &amp; Zoning</i>	2,957,600	3,550,000	3,303,600	3,303,600
Cultural and Recreational				
Registration Fees	3,087,400	2,946,700	2,866,000	2,865,900
Recreation Admission Charges	330,200	284,800	290,200	290,500
Library Fines and Fees	367,400	298,200	298,200	298,200
Other Cultural and Rec Fees	419,100	369,300	322,600	323,000
<i>Total Cultural and Recreational</i>	4,204,100	3,899,000	3,777,000	3,777,600
Fines, Fees and Forfeitures				
Traffic Fines	1,476,900	1,193,800	1,375,900	1,375,900
Criminal Fines	881,800	735,400	761,400	761,400
Parking Fines	302,300	247,500	225,000	225,000
Other Fines, Fees and Forfeitures	2,048,700	2,002,500	1,959,100	1,948,200
<i>Total Fines, Fees and Forfeitures</i>	4,709,700	4,179,200	4,321,400	4,310,500
Business/Non-Business Licenses	1,200,500	1,360,000	1,149,800	1,173,800
Other Revenue Sources				
Franchise Fees	1,514,000	1,664,500	1,695,600	1,710,100
SRP Payment in Lieu of Taxes	435,400	435,400	416,700	398,800
Interest Income	6,747,300	6,272,000	5,307,000	4,583,000
Loan Repayment	181,100	206,400	137,500	137,500
Other Miscellaneous Revenue	1,843,500	890,400	1,209,800	1,262,600
<i>Total Other Revenue</i>	10,721,300	9,468,700	8,766,600	8,092,000
<b>Total General Fund</b>	<b>127,587,100</b>	<b>132,785,700</b>	<b>131,979,100</b>	<b>136,802,40</b>

## Comparative Revenue by Source



Revenue Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Debt Service Fund</b>				
Secondary Property Tax	10,416,400	11,615,100	11,913,000	12,926,100
SRP Payment in Lieu of Taxes	675,100	684,800	654,800	626,100
Interest Income	247,000	0	0	0
<b>Total Debt Service Fund</b>	<b>11,338,500</b>	<b>12,299,900</b>	<b>12,567,800</b>	<b>13,552,200</b>
<b>Transit Fund</b>				
Transit Tax	26,384,500	27,609,500	29,193,000	30,506,000
Lottery Transfer In	325,300	305,400	307,700	297,500
ASU-Flash Transit	316,000	308,400	345,000	345,000
Interest Income	2,120,300	2,518,000	2,242,000	1,936,000
Federal and State Funding	1,090,800	2,216,900	2,925,400	3,022,200
Miscellaneous Revenue	23,100	17,100	17,700	18,400
<b>Total Transit Fund</b>	<b>30,260,000</b>	<b>32,975,300</b>	<b>35,030,800</b>	<b>36,125,100</b>
<b>Transportation Funds</b>				
Intergovernmental Revenue				
Highway User Revenue Tax	11,041,100	11,240,100	10,162,600	10,355,700
State Lottery Proceeds	976,000	925,500	932,300	901,600
<i>Total Intergovernmental Revenue</i>	12,017,100	12,165,600	11,094,900	11,257,300
Maintenance of Effort Transfer	1,850,000	1,850,000	0	0
Lottery Transfer to Transit	(325,300)	(305,400)	(307,700)	(297,500)
Other Revenue	33,300	0	0	0
<b>Total Transportation Funds</b>	<b>13,575,100</b>	<b>13,710,200</b>	<b>10,787,200</b>	<b>10,959,800</b>
<b>Rio Salado Fund</b>				
City Sales Tax	583,500	580,000	611,600	639,000
Transient Lodging Tax	108,800	112,300	123,500	135,900
Interest Income	492,700	427,000	283,000	244,000
Miscellaneous Revenue	1,221,600	32,200	32,200	32,200
<b>Total Rio Salado Fund</b>	<b>2,406,600</b>	<b>1,151,500</b>	<b>1,050,300</b>	<b>1,051,100</b>
<b>Performing Arts Fund</b>				
Performing Arts Tax	0	1,900,000	5,500,000	5,740,000
Interest Income	0	28,000	104,000	134,000
<b>Total Performing Arts Fund</b>	<b>0</b>	<b>1,928,000</b>	<b>5,604,000</b>	<b>5,874,000</b>
<b>CDBG/Section 8 Housing Funds</b>				
Community Development Block Grant	2,390,100	2,967,700	2,637,600	2,687,600
Section 8 Housing	4,624,100	4,985,700	4,996,200	5,018,300
<b>Total CDBG/Section 8 Housing Funds</b>	<b>7,014,200</b>	<b>7,953,400</b>	<b>7,633,800</b>	<b>7,705,900</b>

## Comparative Revenue by Source



Revenue Source	1999-00 Actual	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Water/Wastewater Fund</b>				
Charges for Service-Water				
Water Consumption	17,885,900	17,074,000	17,920,000	17,940,000
Water Service	6,160,900	6,136,200	6,140,000	6,150,000
Irrigation	268,800	274,100	275,200	280,200
Other Water Charges	556,100	689,600	707,400	710,800
<i>Total Charges for Service-Water</i>	24,871,700	24,173,900	25,042,600	25,081,000
Charges for Service-Wastewater				
Sewer Usage	10,456,100	10,738,300	10,775,000	10,800,000
Sewer Service	4,799,800	3,579,400	3,500,000	3,500,000
Other Wastewater Charges	1,028,600	768,700	107,000	108,500
<i>Total Charges for Service-Wastewater</i>	16,284,500	15,086,400	14,382,000	14,408,500
Interest Income	3,726,700	3,013,000	2,454,000	2,119,000
Land and Facility Rental	495,000	505,000	515,000	520,000
Loan Repayment from General Fund	624,000	624,000	624,000	624,000
Other Miscellaneous Revenue	294,200	115,300	110,100	111,200
<b>Total Water/Wastewater Fund</b>	<b>46,296,100</b>	<b>43,517,600</b>	<b>43,127,700</b>	<b>42,863,700</b>
<b>Sanitation Fund</b>				
Charges for Services				
Residential Service	4,890,700	5,238,600	5,311,700	5,402,200
Commercial Service	3,360,200	3,766,700	3,841,000	3,917,800
Roll-Off Service	970,100	930,700	977,300	1,026,100
Recycling	185,900	252,100	171,900	171,900
<i>Total Charges for Service</i>	9,406,900	10,188,100	10,301,900	10,518,000
Sludge Disposal	123,100	64,800	93,000	93,000
Interest Income	116,400	31,500	500	500
Other Revenue Sources	193,700	65,300	64,900	65,000
<b>Total Sanitation Fund</b>	<b>9,840,100</b>	<b>10,349,700</b>	<b>10,460,300</b>	<b>10,676,500</b>
<b>Golf Fund</b>				
Greens Fees	1,942,500	1,858,500	1,935,000	1,975,000
Pro Shop and Restaurant Revenue	265,100	182,000	202,800	164,900
Interest Income	88,400	68,000	50,000	43,000
Other Revenue Sources	18,900	0	0	0
Transfer to General Fund	(43,600)	(68,900)	0	0
<b>Total Golf Fund</b>	<b>2,271,300</b>	<b>2,039,600</b>	<b>2,187,800</b>	<b>2,182,900</b>
<b>Total Revenue - All Funds</b>	<b>\$250,589,000</b>	<b>\$258,710,900</b>	<b>\$260,428,800</b>	<b>\$267,793,600</b>

## City Sales Tax



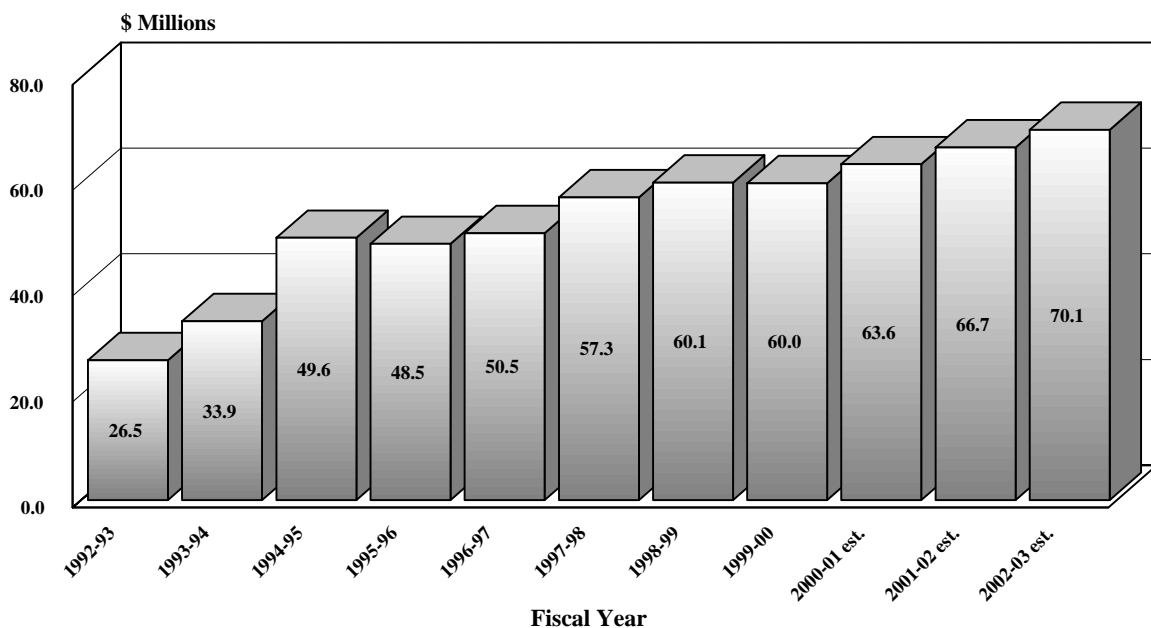
Restrictions	Fiscal Year	Amount	Percent Change
<p>Current rate of 1.8% can be increased only by electorate.</p> <p>Proceeds are pledged as security for bond payments due under Municipal Property Corporation Agreements. Revenues from a voter-approved 0.5% portion are dedicated to transit purposes, as well as a voter approved 0.1% dedicated funding for Performing Arts. In addition, all transaction privilege tax revenues generated in the Rio Salado Enterprise Fund Zone are deposited to the Rio Salado Fund for the operating expenses of the Rio Salado project.</p> <p><sup>1</sup> During 1995, Governmental Accounting Standards Board (GASB) Statement No. 22 required revenue from taxpayer-assessed taxes to be recognized in the accounting period in which they become susceptible to accrual. This resulted in 13 months being recorded in FY 94-95. Account: 4001</p>	1992-93	\$26,465,874	9.8
	1993-94	33,859,498	27.9
	1994-95 <sup>1</sup>	49,632,044	46.6
	1995-96	48,488,111	(2.3)
	1996-97	50,495,336	4.1
	1997-98	57,283,547	13.4
	1998-99	60,100,000	4.9
	1999-00	59,967,700	(.2)
	2000-01 est.	63,566,000	6.0
	2001-02 est.	66,744,000	5.0
	2002-03 est.	70,081,000	5.0

### Assumptions

The City sales tax, known formally as the transaction privilege tax, is derived from a 1.8% tax on a variety of financial transactions, including retail sales, rental payments, contracting sales, utility, telecommunications payments, and hotel/restaurant sales. The increased revenue growth in FY 1993-94 was the result of a voter-approved increase in the sales tax rate from 1.0% to 1.2%. Although Tempe voters approved increases of 0.5% (September 1996) and 0.1% (January 2001), these additional revenues are devoted to transit and performing arts needs and are not reflected in the amounts above. Our projection for 5.0% growth reflects the expectation that sales tax growth will remain steady.

Major Influences: Taxable Sales, Population, and Consumer Price Index

### City Sales Tax



## City Property Tax



Restrictions	Fiscal Year	Amount	Percent Change
<b>Primary Levy:</b>  Limited to annual increase of 2% plus amount generated by new construction. No restriction on usage.	1992-93	\$11,323,512	(2.0)
	1993-94	11,803,199	4.2
	1994-95	11,315,869	(4.1)
	1995-96	12,297,510	8.7
<b>Secondary Limit:</b>  Restricted for debt service purposes only. No limit on rate.	1996-97	12,808,631	4.2
	1997-98	13,832,004	8.0
	1998-99	15,172,288	9.7
	1999-00	16,561,936	9.2
Account: 4012	2000-01 est.	18,414,400	11.2
	2001-02 est.	18,869,700	2.5
	2002-03 est.	20,043,800	6.2

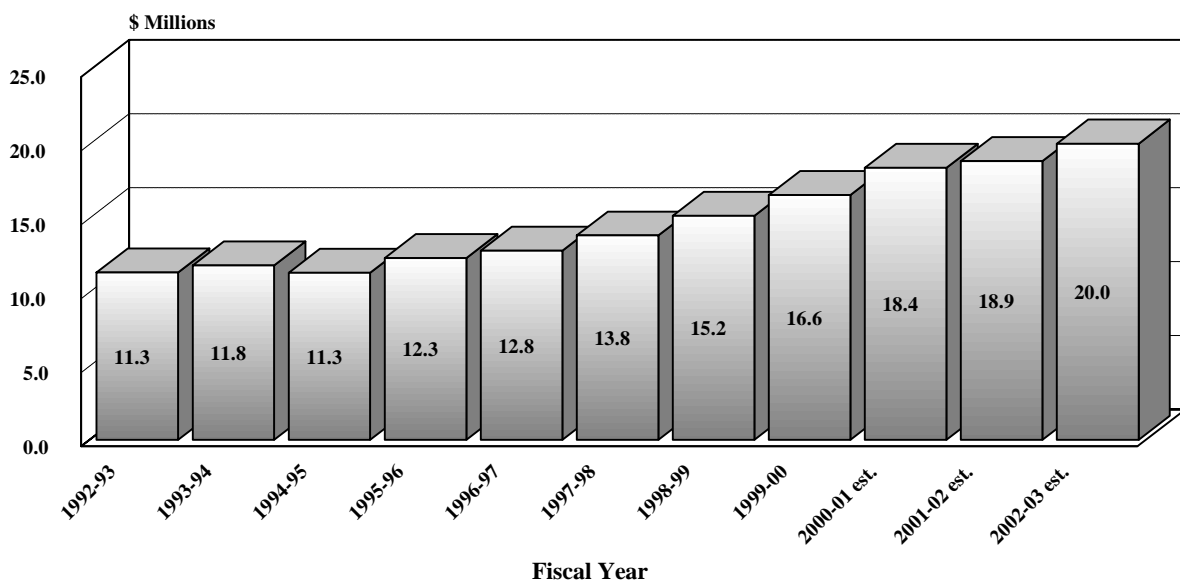
### Assumptions

The City's property tax is levied based on the full cash value of property from the previous February 10th as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Changes in total revenue collected during these years have been the result of state policy affecting assessed valuations, assessed valuation growth, and new development.

The combined primary and secondary property tax rate for FY 2001-02 will total \$1.35 per \$100 assessed valuation, consisting of \$0.53 per \$100 of primary assessed valuation for operating and maintenance costs and \$0.82 per \$100 of secondary assessed valuation to fund principal and interest payments on bond indebtedness. The City held the aggregate property tax rate at \$1.40 for six fiscal years before decreasing it by .05 in FY 2000-01. A change in the County Assessor's methodology for valuing residential property explains much of the growth in FY 2000-01. For the biennial budget period, assessed valuation growth is expected to be lower than the long-term average due to valuation methodology changes and compliance with truth in taxation legislation.

Major Influences: Development, Assessor Appraisal Methodology, State Policy, Population Growth, and Policy Regarding Property Tax Rates

### City Property Tax



## Transient Lodging Tax



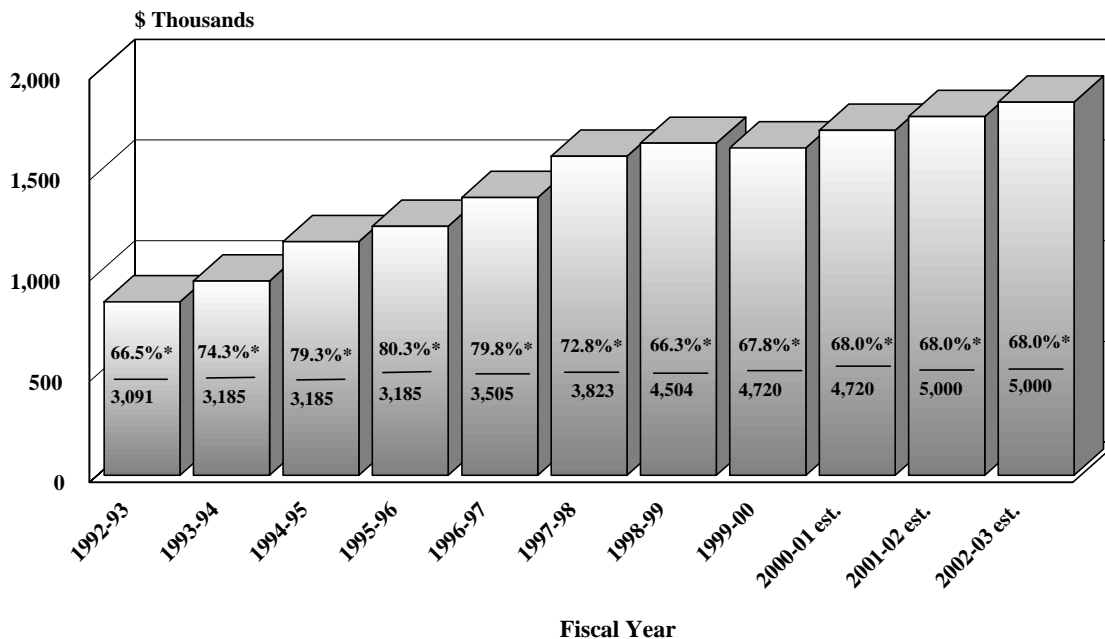
Restrictions	Fiscal Year	Amount	Percent Change
Fifty percent of the proceeds are pledged for the Tempe Convention and Visitors Bureau. Excess proceeds are for unrestricted General Fund usage, except for bed tax revenue generated within the Rio Salado Enterprise Zone, which is deposited to the Rio Salado Fund for operating costs of the Rio Salado Project.	1992-93	\$862,036	13.2
	1993-94	965,382	12.0
	1994-95	1,160,235	20.2
	1995-96	1,236,458	6.6
	1996-97	1,379,301	11.6
	1997-98	1,584,138	14.9
	1998-99	1,649,000	4.1
	1999-00	1,625,300	(1.4)
	2000-01 est.	1,713,000	5.4
	2001-02 est.	1,782,000	4.0
Account: 4002	2002-03 est.	1,853,000	4.0

### Assumptions

The current transient lodging tax is 2%, which originated in June 1988 for businesses within the city charging for lodging for any period of not more than 30 consecutive days. Our projection for the biennium is for transient lodging revenues to grow at the historical rate.

Major Influences: Economy, Competition from Hotels Located in Neighboring Cities, and Consumer Price Index

### Transient Lodging Tax



\*Percent Occupied/Number of Rooms

## Salt River Project In-Lieu Tax



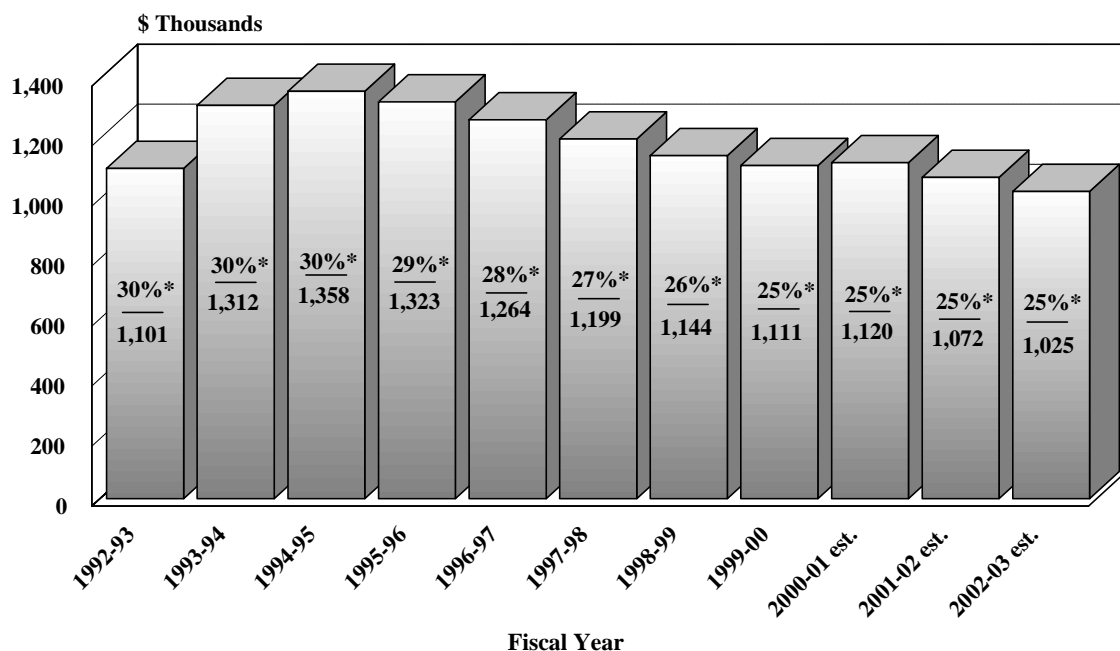
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1992-93	\$1,101,364	3.9
	1993-94	1,311,706	19.1
	1994-95	1,357,799	3.5
	1995-96	1,322,950	(2.6)
	1996-97	1,263,705	(4.5)
	1997-98	1,199,458	(5.1)
	1998-99	1,144,363	(4.6)
	1999-00	1,110,500	(3.0)
	2000-01 est.	1,120,200	(0.9)
	2001-02 est.	1,071,500	(4.3)
Account: 4015	2002-03 est.	1,024,900	(4.3)

### Assumptions

As a government-operated public utility, the Salt River Project pays no franchise or property taxes. In lieu of these taxes, an amount is received from the utility based on a computation involving property location and plant investment. Proceeds from this revenue source are received through Maricopa County in June and December. The SRP In-Lieu Payment is expected to fall by 4.3% in FY 2001-03 as the assessment ratio will be reduced from 30% to 25% according to state statute.

Major Influences: Real Property Value and State Policy (assessment ratio)

### Salt River Project In-Lieu Tax



\*Percents represent the assessment ratio on SRP real property.



## State-Shared Sales Tax



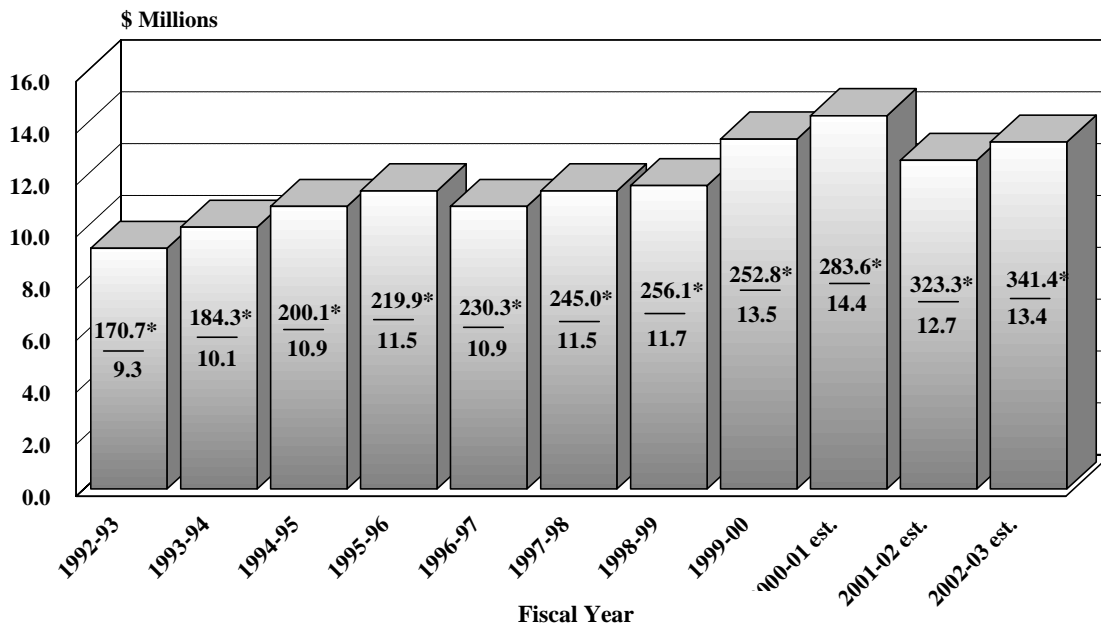
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds are pledged as security for bond payments under Municipal Property Corporation agreements. Excess proceeds are restricted to usage.	1992-93	\$9,280,400	8.0
	1993-94	10,062,100	8.4
	1994-95	10,937,700	8.7
	1995-96	11,474,400	4.9
	1996-97	10,857,100	5.4
	1997-98	11,467,000	5.6
	1998-99	11,700,000	2.0
	1999-00	13,511,400	15.5
	2000-01 est.	14,400,000	6.6
	2001-02 est.	12,676,900	(12.0)
Account: 4204	2002-03 est.	13,386,800	5.6

### Assumptions

The state assesses a 5% sales tax, of which 2% is designated for educational purposes and 1% deposited in the State general fund. From the remaining 2%, cities and towns share in 25% of the collections total (estimated at \$323.3 million for FY 2001-02) on the basis of their population to total state population. Distributions beginning in FY 2001-02 are based on the 2000 Census. Prior to 2000, Tempe accounted for 4.5% of the state's population (state-shared revenue distributions until FY 2000-01 are based on the 1995 Special Census), but with the 2000 Census, Tempe's share fell to 4.0%. This reduction explains much of the decline in Tempe's state-shared sales tax revenue. Although the strength of the state's economy has offset the effect of the Census, the result of the 2000 Census is a reduction to our state-shared revenues.

Major Influences: Taxable Sales, Population (relative to State) and State Policy

### State-Shared Sales Tax



\*Total state-shared sales tax revenue pool for distribution to cities and towns (\$ in millions)

## State-Shared Vehicle License Tax



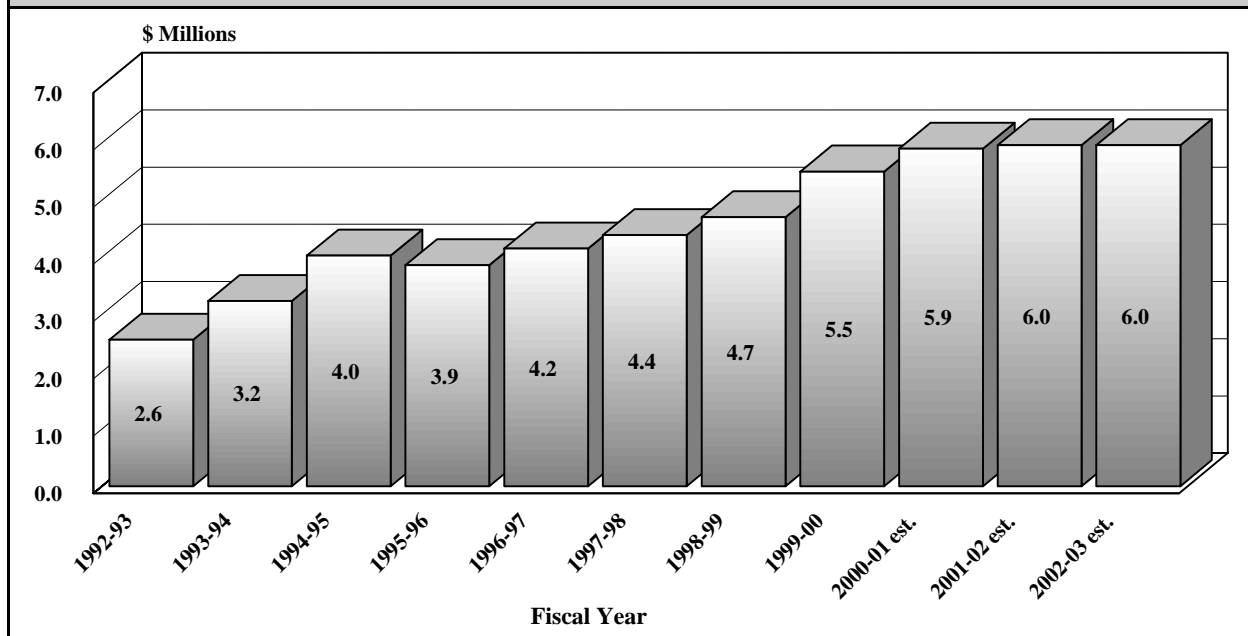
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.  Account: 4214	1992-93	\$2,560,309	(1.5)
	1993-94	3,238,166	26.5
	1994-95	4,031,788	24.5
	1995-96	3,863,003	(4.2)
	1996-97	4,150,865	7.5
	1997-98	4,390,865	5.8
	1998-99	4,700,000	7.0
	1999-00	5,498,000	17.0
	2000-01 est.	5,900,000	7.3
	2001-02 est.	5,959,000	1.0
	2002-03 est.	5,959,000	0.0

### Assumptions

Cities and towns receive 25% of the net revenues collected for vehicle licensing within their county. The respective shares are determined by the proportion of population to total incorporated population of the county. The remainder of the revenues collected are shared by schools, counties, and the state. Continued strong economic performance in the state during FY 1998-99, sustained in large part by high population growth, more than offset the recovery of overpayments made to cities by Maricopa County from 1992 to 1995. Expected declining auto sales should bring growth for this revenue down during the next biennium.

Major Influences: Population (relative to State), State Policy and Auto Sales

### State-Shared Vehicle License Tax



## State-Shared Income Tax



Restrictions	Fiscal Year	Amount	Percent Change
Proceeds are pledged as security for bond payments due under Municipal Property Corporation agreements. Excess proceeds are unrestricted as to usage.	1992-93	\$9,175,251	4.4
	1993-94	9,256,278	1.0
	1994-95 <sup>1</sup>	11,139,519	20.4
	1995-96	9,939,946	(10.8)
	1996-97	11,139,519	12.1
	1997-98	13,158,548	18.1
	1998-99	15,000,000	14.0
	1999-00	17,045,900	13.6
	2000-01 est.	17,950,500	5.3
	2001-02 est.	16,542,100	(7.9)
Account: 4208	2002-03 est.	17,747,400	7.3

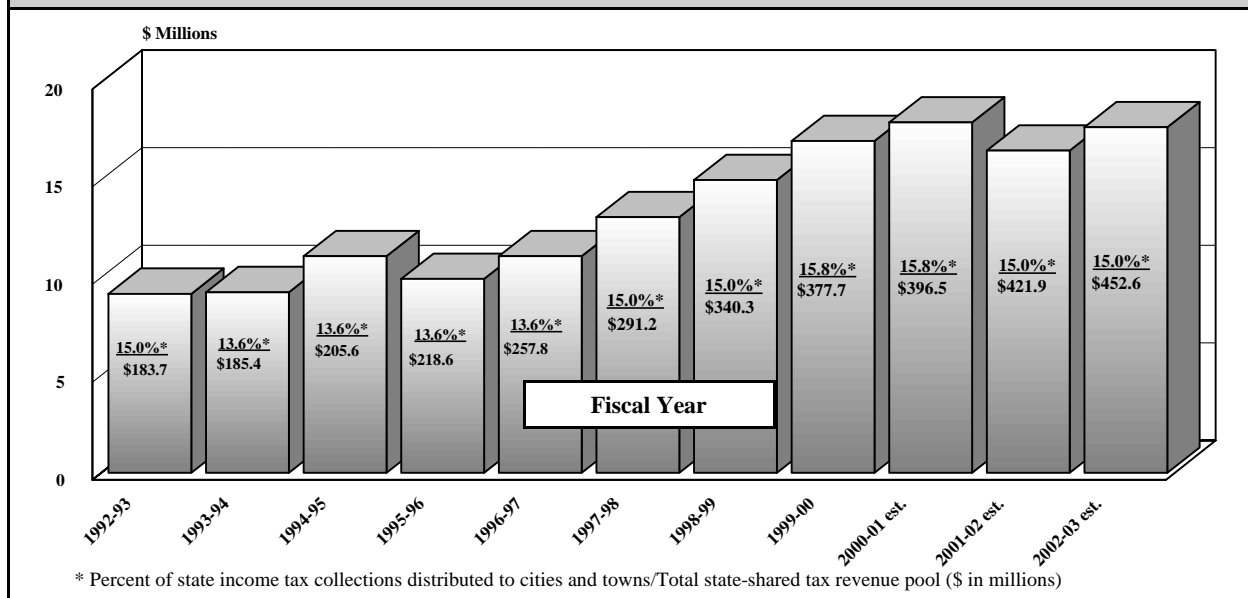
<sup>1</sup> During 1995, Governmental Accounting Standards Board (GASB) Statement No. 22 required revenue from taxpayer-assessed taxes to be recognized in the accounting period in which they become susceptible to accrual. This resulted in 13 months being recorded in FY 1994-95.

### Assumptions

The right to levy income taxes in Arizona is a state responsibility. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the City receives the funds. Arizona cities and towns were entitled to receive 15% of the State's income tax collections until FY 1992-93 when the percentage dropped to 13.6%. The percentage share then was restored to 15% in FY 1997-98 and then increased in FY 1999-00 to 15.8%. However, in a 1999 state legislation session, the local share fell back to 15% and is the percentage at present. This state-shared revenue is distributed to cities or towns based on the relation of their population to the total population of all incorporated cities and towns in the state. Prior to 2000, Tempe accounted for 4.5% of the state's population (state-shared revenue distributions until FY 2000-01 were based on the 1995 Special Census), but with the 2000 Special Census, Tempe's share fell to 4.0%. This accounts for the decline in FY 2001-02. The estimated growth in FY 2002-03 is in accordance with historical standards and driven by statewide population and personal income growth.

Major Influences: Personal Income (current \$), Corporate Net Profits, Population (relative to State) and State Policy

### State-Shared Income Tax



## Charges for Services/Recreation and Social Services



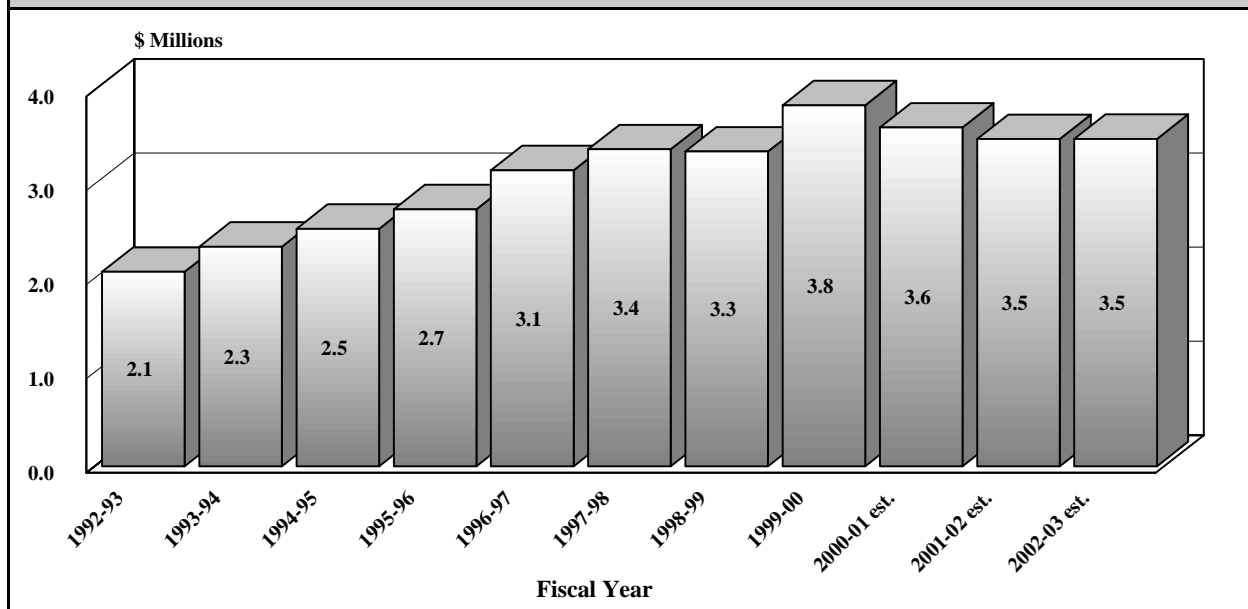
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage, but intended to defray costs of recreation and social service programs.	1992-93	\$2,066,438	6.4
	1993-94	2,333,299	12.9
	1994-95	2,524,369	8.2
	1995-96	2,732,022	8.2
	1996-97	3,145,907	15.2
	1997-98	3,369,509	7.1
	1998-99	3,345,728	(0.7)
	1999-00	3,836,700	14.7
	2000-01 est.	3,600,800	(6.2)
	2001-02 est.	3,478,800	(3.4)
Accounts: 4301-4315	2002-03 est.	3,479,400	0.02

### Assumptions

Revenue in this category is derived from a wide array of recreational activities (such as softball, swimming, and tennis) and social services programs (such as counseling services and after-school programs). By Council policy, many of these activities and services are partially or fully-funded through user charges. Fees are based on a targeted percentage for cost recovery of direct program operating costs, including wages and supply costs but excluding facility costs, administration, and capital outlay. The percentage of recovery of direct program costs is by classification of user groups as follows: adult programs, 100% cost recovery; youth programs and senior programs, 50% cost recovery; and all Kiwanis Recreation Center classes/programs, 100% cost recovery. Most of the additional revenue generated in FY 1996-97 and FY 1997-98 was related to the expansion of social service programs, especially Kid Zone and Teen Zone, which operate under the 100% cost recovery policy. Over the longer term, we expect recreational and social services to increase as the department plans to expand services.

Major Influences: Population, Internal Policy and Program Development

### Charges for Services/Recreation and Social Services



## Charges for Services/Development Related



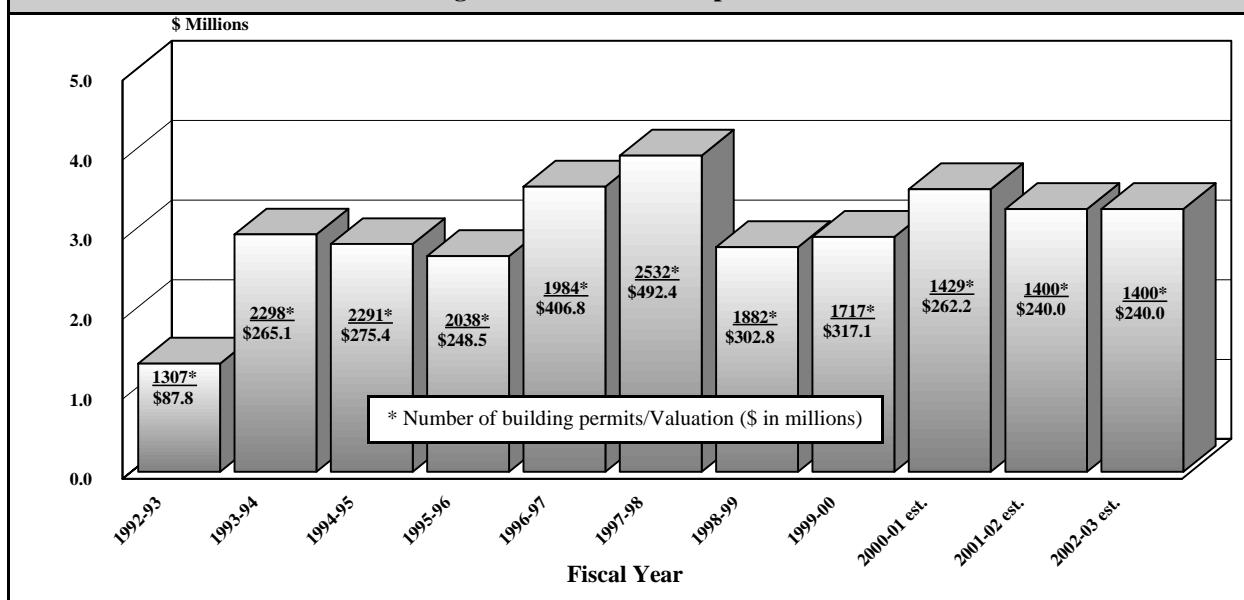
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds are pledged as security for bond payments due under the Municipal Property Corporation Agreements. Excess proceeds are unrestricted as to usage.	1992-93	\$1,361,825	6.4
	1993-94	2,980,551	118.9
	1994-95	2,860,656	(4.0)
	1995-96	2,711,393	(5.2)
	1996-97	3,586,390	32.3
	1997-98	3,973,347	10.8
	1998-99	2,822,892	29.0
	1999-00	2,957,600	4.8
	2000-01 est.	3,550,000	20.0
	2001-02 est.	3,303,600	(2.6)
Accounts:	2002-03 est.	3,303,600	0.0
4102-4112 (Building & Trade Permits)			
4401-4405, 4411-4413 (Engineering Fees)			
4406-4410, 4414-4418 (Planning & Zoning)			

### Assumptions

Declines in development related permit revenues in the early 1990's were largely a function of slower population growth, a more stringent Tax Reform Act of 1986, and a downturn in both the economy and development. A new building permit and plan check fee structure was implemented in August 1991, while planning, zoning, and engineering fees were revised in FY 1992-93. The annual growth rates shown above reflect the sometimes extreme cyclical nature of development. Following a year that included permit revenue related to the new Arizona Mills Mall, FY 1998-99 saw a drop-off in development activity in all sectors, consistent with declining rates of growth county-wide. In the long term, development revenue growth should accelerate again with new, major developments planned for the downtown area and Rio Salado. Further, effective FY 2001-02, development related activities fees increased.

Major Influences: Population, Tax Laws, Economy and Development

### Charges for Services Development Related



## Fines and Forfeitures



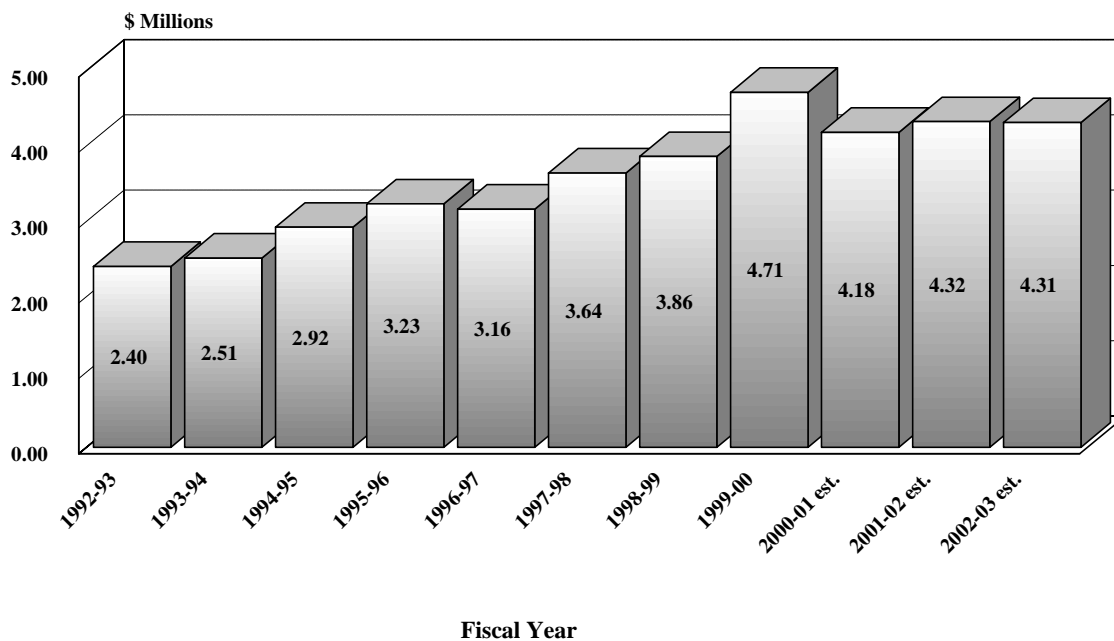
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1992-93	\$2,402,640	12.3
	1993-94	2,509,835	4.5
	1994-95	2,918,357	16.3
	1995-96	3,234,571	10.8
	1996-97	3,162,253	2.2
	1997-98	3,636,208	15.0
	1998-99	3,856,034	6.1
	1999-00	4,709,700	22.1
	2000-01 est.	4,179,200	(11.3)
	2001-02 est.	4,321,400	3.4
Accounts: 4601-4609, 4612-4625	2002-03 est.	4,310,500	(0.03)

### Assumptions

The fines and forfeitures revenues to the City derive from fines related to parking, traffic, criminal, animal control, defensive driving school, adult diversion, domestic violence, and false alarms, plus revenues from public defender reimbursements, forfeitures, and boot fees. Much of the FY 2001-02 increase is related to Council-approved increases in false alarm fines and alarm system registration fees and a police selective neighborhood traffic enforcement unit.

Major Influences: Population (Demographics), Crime Rate and Internal Policy (Enforcement, Number of Police Officers)

### Fines and Forfeitures



## Interest Earnings



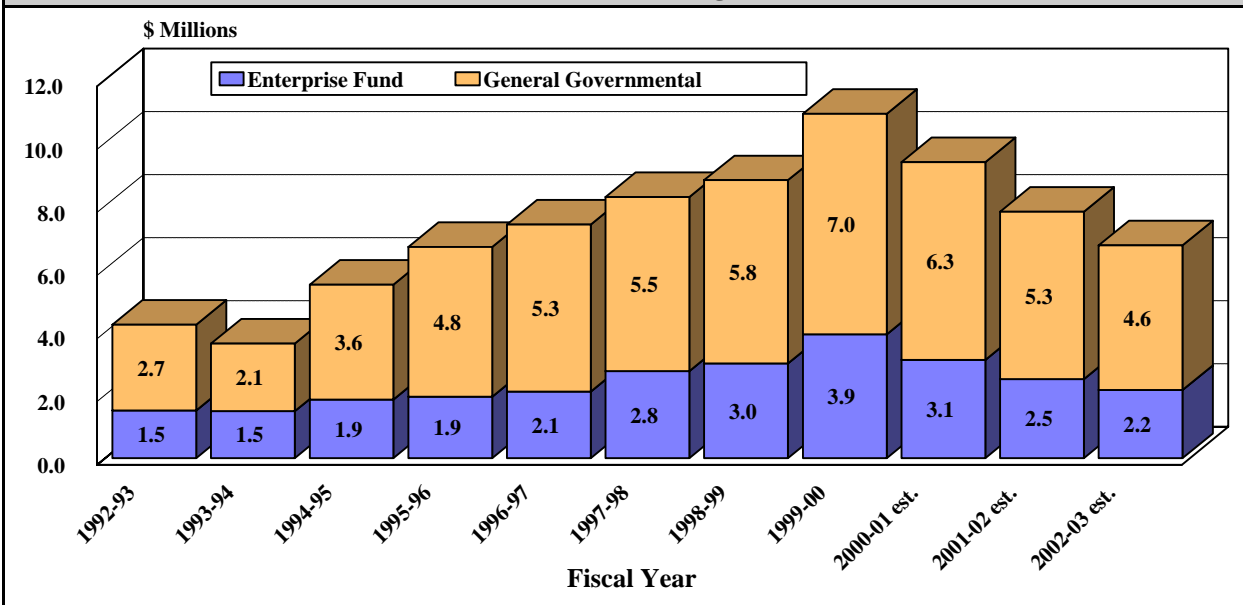
<b>Restrictions:</b>				
No restrictions on usage.				
<b>Fiscal Year</b>	<b>Enterprise Funds</b>		<b>General Governmental</b>	
	<b>Amount</b>	<b>Percent Change</b>	<b>Amount</b>	<b>Percent Change</b>
1992-93	\$1,508,623	4.4	\$2,722,322	24.2
1993-94	1,487,856	1.4	2,147,608	21.1
1994-95	1,854,923	24.7	3,644,455	69.7
1995-96	1,945,695	4.9	4,750,313	30.3
1996-97	2,111,981	8.6	5,296,770	11.5
1997-98	2,759,749	30.7	5,527,174	4.4
1998-99	3,003,500	8.8	5,814,000	5.2
1999-00	3,931,500	30.9	6,994,300	16.1
2000-01 est.	3,112,500	(20.8)	6,272,000	(7.0)
2001-02 est.	2,504,500	(19.5)	5,307,000	(15.4)
2002-03 est.	2,162,500	(13.7)	4,583,000	(13.6)

### Assumptions

Interest earnings are derived from the investment of cash. The City's investment policy authorizes investments in U.S. Treasury and Agency obligations, certificates of deposit, commercial paper, bankers' acceptances, repurchase agreements, money market funds, and the State of Arizona's Local Government Investment Pool. Revenues are influenced by the amount of temporarily idle cash on hand, prevailing short-term interest rates, and the scope and timing of the City's bond issues. Expenditure controls and rate adjustments in the Enterprise Funds, particularly the Water/Wastewater Fund have produced higher cash balances and greater interest income recently. Revenue growth, resulting from the strong economy, has bolstered cash balances in the General Fund as well. FY 2000-01 should see a reversal of this trend, with planned drawdowns of fund balances occurring to fund capital projects as the City continues its policy of utilizing these balances as "pay-as-you-go" financing in place of debt financing.

Major Influences: Cash Balances, Short-Term Governmental Interest Rates, and Bond Sales

### Interest Earnings



## Transit Tax



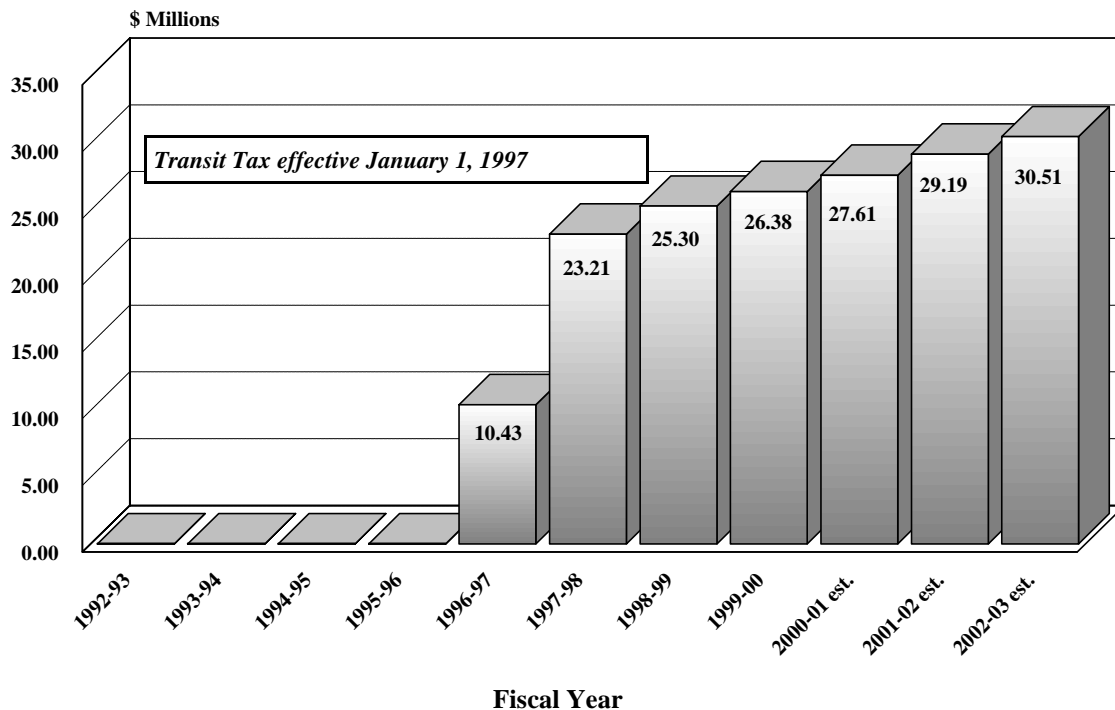
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote to transit-related purposes, such as bus acquisition and maintenance, connecting bus routes to neighboring cities, bus stop construction, and transit planning.  Account: 4004	1996-97	\$10,429,431	-
	1997-98	23,212,252	122.6
	1998-99	25,300,000	9.0
	1999-00	26,384,500	4.3
	2000-01 est.	27,609,500	4.6
	2001-02 est.	29,193,000	5.7
	2002-03 est.	30,506,000	4.5

### Assumptions

The Transit Tax represents 1/2 cent of the 1.8% City sales tax. The amount for transit was approved by Tempe voters in September 1996. The additional tax became effective January 1, 1997, thus the revenue for FY 1996-97 only reflects collections over the last half of the fiscal year. The estimate for FY 2001-02 and FY 2002-03 closely follows our estimate for overall City sales tax growth of 5.0%.

Major Influences: Taxable Sales, Population and Consumer Price Index

### Transit Tax





## Performing Arts Tax



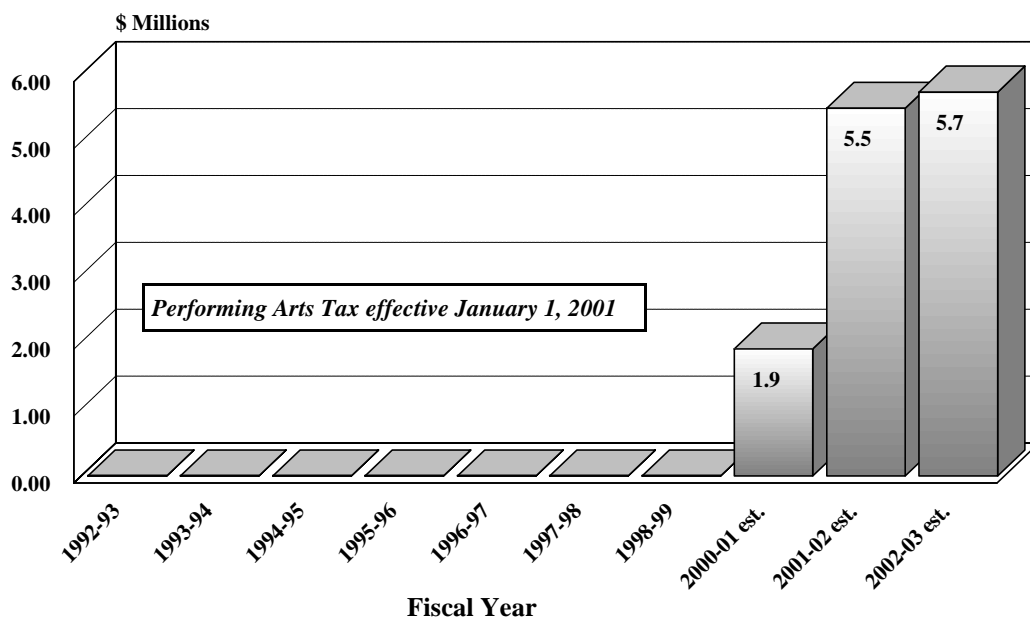
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote for a Performing Arts center and related activities.	2000-01 est.	\$1,900,000	-
	2001-02 est.	5,500,000	189.5
	2002-03 est.	5,740,000	4.4
Account: 4005			

### Assumptions

The Performing Arts Tax represents a voter-approved 0.1% increase to the 1.8% City Sales Tax. These funds are dedicated for a Visual and Performing Arts Center. The tax for the performing arts was implemented in January 2001, therefore, FY 2000-01 reflects a partial year.

Major Influences: Taxable Sales, Population, and Consumer Price Index

### Performing Arts Tax



## Highway User Tax



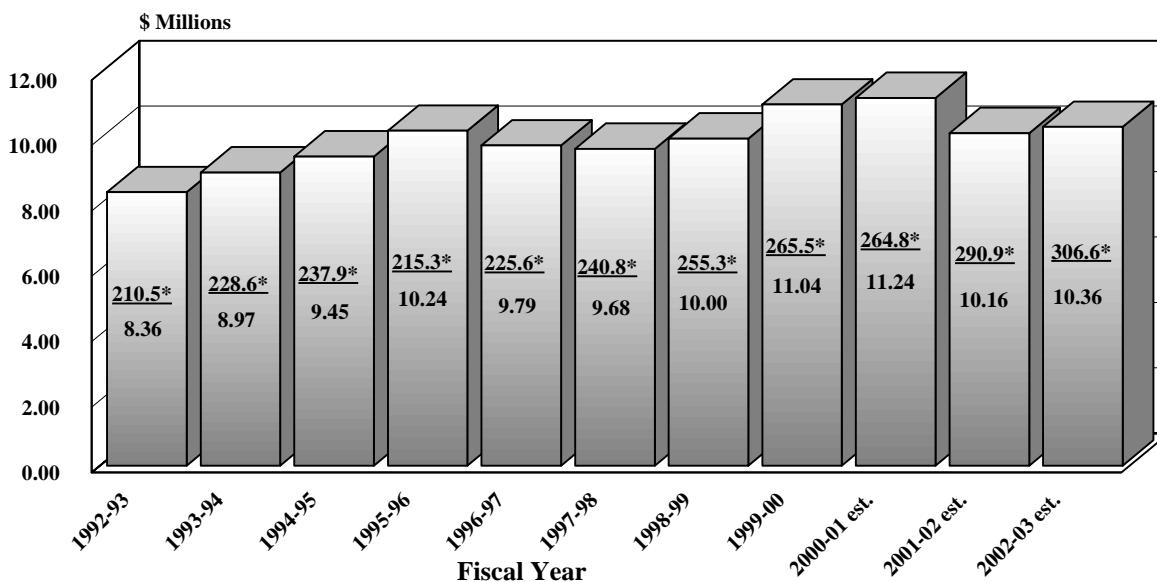
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway purposes including right-of-way acquisition, construction, reconstruction, maintenance, and payment of debt services on highway and street bonds.	1992-93	\$8,361,432	3.4
	1993-94	8,965,553	7.2
	1994-95	9,449,774	5.4
	1995-96	10,238,951	8.4
	1996-97	9,788,235	4.4
	1997-98	9,684,269	1.1
	1998-99	10,000,000	3.3
	1999-00	11,041,100	10.4
	2000-01 est.	11,240,100	1.8
	2001-02 est.	10,162,600	(9.6)
	2002-03 est.	10,355,700	1.9

### Assumptions

Highway User Revenue Fund (HURF) revenues are comprised primarily of a share of the state-imposed tax on fuel (18 cents per gallon), but also include a portion of vehicle license taxes and other motor carrier permits and fees. Of the statewide total HURF revenues, 27.5% is distributed to cities and towns. Of this amount, one-half is distributed based on each city or town's percentage share of the statewide total population of all incorporated cities and towns. The remaining one-half is divided into county pools based on each county's share of statewide fuel sales. Within each county, cities and towns receive an allocation based on their percentage share of total incorporated population in the county. The sudden drop in FY 1991-92 was the result of an action by the state Legislature to fund a portion of the state Highway Patrol from HURF revenue, thereby lowering the pool of funds available for distribution to cities and towns. Continued reduction in FY 1996-97 and FY 1997-98 were the result of Tempe's Special Census, which placed Tempe at 4.5% of the state's population, down from our 5% share which resulted from the 1990 Census. The FY 2001-02 decline is a reflection of the 2000 Census, which resulted in Tempe's share again declining to 4.0%.

Major Influences: Population, State Policy, Economy and Gasoline Sales.

### Highway User Tax



\* Represents the assessment ration of SRP real property.

## Local Transportation Assistance Fund



Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway projects, for any construction or reconstruction in the public right-of-way as well as transit programs.	1992-93	\$1,130,372	1.0
	1993-94	1,123,762	0.6
	1994-95	1,107,750	1.4
	1995-96	1,089,151	1.7
	1996-97	1,081,122	0.7
	1997-98	1,019,776	5.7
	1998-99	950,000	6.6
	1999-00	976,000	2.7
	2000-01 est.	925,500	(5.2)
	2001-02 est.	932,300	0.8
	2002-03 est.	901,600	(3.3)
Account : 4212			

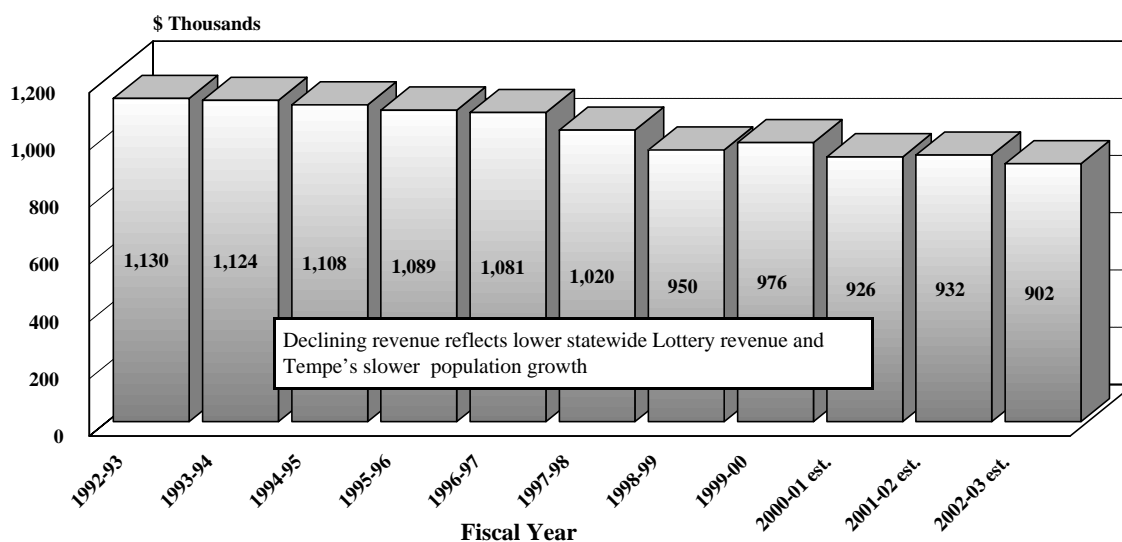
### Assumptions

Revenues are derived from the state lottery game and the multi-state Powerball lottery game. By state statute, the state must distribute at least \$20.5 million annually to cities and towns from state lottery revenues, up to a maximum total distribution pool of \$23 million. Amounts distributed to cities and towns are based on their percentage share of statewide population as determined and updated annually by the state Department of Economic Security. Revenues derived from Powerball may be received only after the state first collects \$21 million from Powerball sales. If this threshold is reached, the state will distribute up to a total of \$18 million from Powerball revenues, dividing the pool into amounts based on each county's share of lottery ticket sales. Amounts from these county pools distributed to cities and towns are based on each city or town's share of incorporated population in the county.

Continued reductions in lottery revenues over the past 10 years reflect the overall decline in the total amount of funds available statewide for distribution. State lottery sales continue to suffer since the introduction of Powerball and casino-style gaming on Native American Reservations. Further exacerbating problems in this revenue is Tempe's declining share of statewide population.

Major Influences: Population (relative to State) and Lottery Ticket Sales

### Local Transportation Assistance Fund



## Community Development Block Grant/Section 8 Housing Grant



### Restrictions

Community Development Block Grant (CDBG) funds are awarded by the federal government and may be used only for the rehabilitation of owner-occupied housing and the removal of "slum and blight". Section 8 Housing Grants, also federal funds, may be used only for rent and utility subsidies for low income persons.

Account : 4202

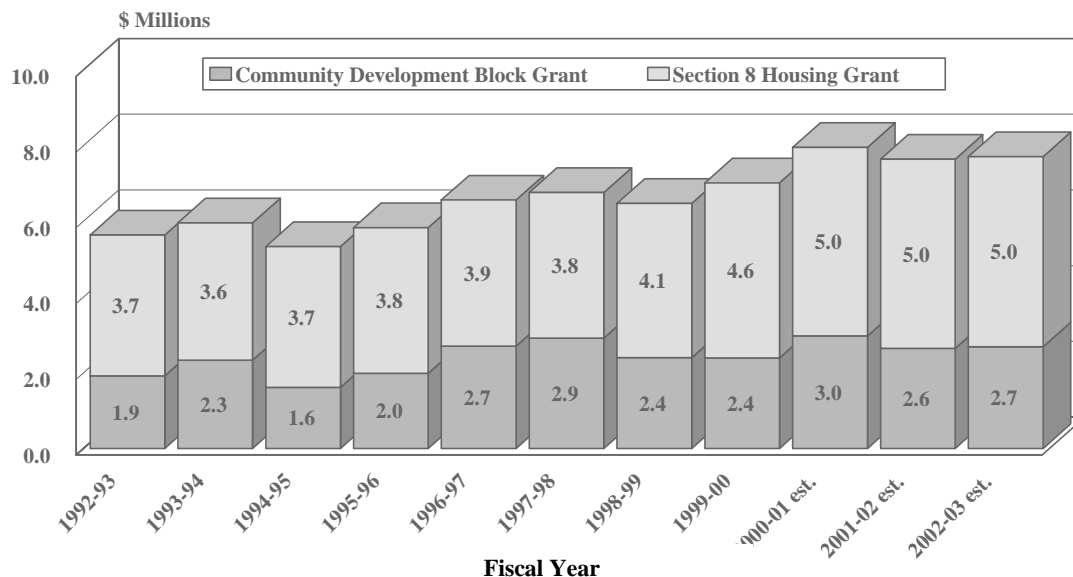
Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
1992-93	\$1,912,124	128.4	\$3,725,246	24.2
1993-94	2,325,740	21.6	3,630,121	(2.6)
1994-95	1,610,050	(30.8)	3,719,248	2.5
1995-96	1,980,305	23.0	3,846,066	3.4
1996-97	2,700,015	36.3	3,861,578	0.4
1997-98	2,915,622	8.0	3,843,309	(0.5)
1998-99	2,399,237	(17.7)	4,068,842	5.9
1999-00	2,390,100	(0.4)	4,624,100	13.6
2000-01 est.	2,967,700	24.2	4,985,700	7.8
2001-02 est.	2,637,600	(11.1)	4,996,200	0.2
2002-03 est.	2,687,600	0.0	5,018,300	0.4

### Assumptions

Funding levels in both programs are based on a federal formula which reflects local factors such as the percentage of people living in poverty, unemployment, population, age of existing housing, and the need for housing.

Major Influences: Federal Policy, Poverty Levels and Population

### Community Development Block Grant/Section 8 Housing Grant



## Water/Wastewater Revenues User Fees



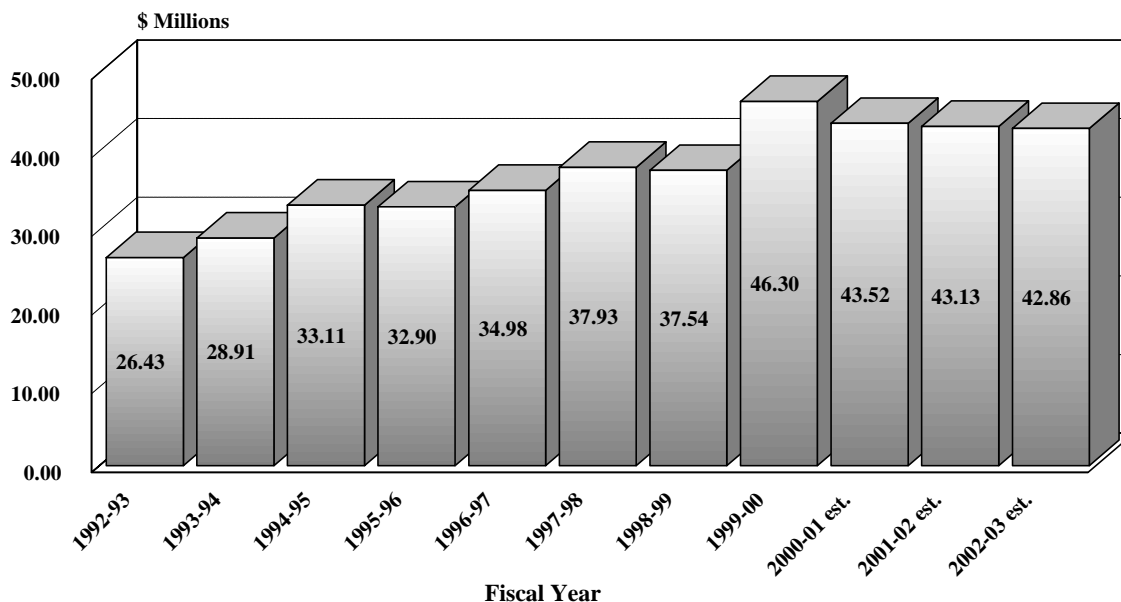
Restrictions	Fiscal Year	Amount	Percent Change
Water/Wastewater is a self-supporting, enterprise operation.  Accounts: 4282, 4284, 4821-4831, 4834-4842	1992-93	\$26,434,331	13.0
	1993-94	28,913,908	9.4
	1994-95	33,107,522	14.5
	1995-96	32,895,352	(0.7)
	1996-97	34,979,993	6.3
	1997-98	37,928,781	8.4
	1998-99	37,540,000	(1.0)
	1999-00	46,296,100	23.3
	2000-01 est.	43,517,600	(6.0)
	2001-02 est.	43,127,700	(0.9)
	2002-03 est.	42,863,700	(0.6)

### Assumptions

Water/Wastewater revenues are derived from fees and service charges assessed to residential and commercial customers of the City's water and wastewater systems. Revenues also include charges to the City's residential irrigation customers. As the graph below depicts, water and sewer rate and fee adjustments were made over three consecutive fiscal years (FY 1991-92 to FY 1993-94) to address increased costs resulting from inflation, debt service on capital projects, operational impact of the South Tempe Water Reclamation Plant, and environmental regulation compliance. In FY 1996-97, irrigation rates were increased by 5%, while sewer rates for residential customers increased an average of 6%. Sewer rates for commercial and industrial customers increased as well in accordance with a new wastewater rate structure based on strength and volume of discharge. Pending rate increases should both bring the water operation into full cost recovery and additional funding for plant expansion.

Major Influences: Population, Internal Policy, Water Consumption Patterns and Weather

### Water/Wastewater Revenues User Fees





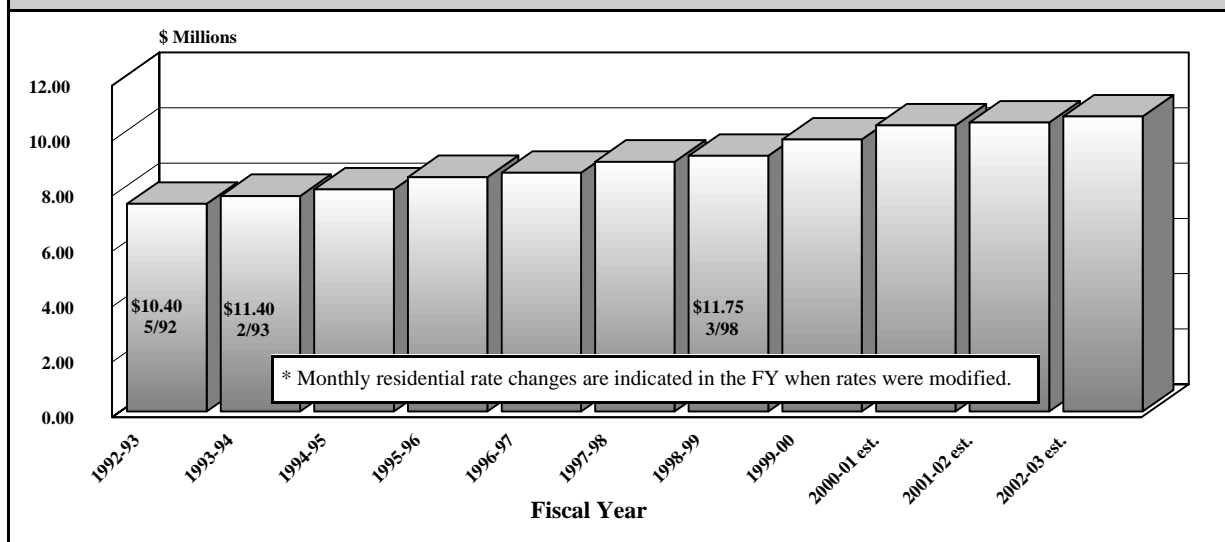
Restrictions	Fiscal Year	Amount	Percent Change
Used to defray costs of providing solid waste collection and disposal service. Any operating deficits are covered by the General Fund from unrestricted revenue.	1992-93	\$7,512,296	13.0
	1993-94	7,798,631	9.4
	1994-95	8,038,917	14.5
	1995-96	8,484,046	0.6
	1996-97	8,636,576	6.3
	1997-98	9,039,504	8.4
	1998-99	9,256,680	1.0
	1999-00	9,840,100	6.3
	2000-01 est.	10,349,700	5.2
	2001-02 est.	10,460,300	1.1
Accounts: 4251-4259	2002-03 est.	10,676,500	2.1

#### Assumptions

The collection and disposal of solid waste constitutes the City's second largest enterprise operation. Revenues derive from user fees for residential, commercial, roll-off, and uncontained solid waste service. As the graph below indicates, residential solid waste fees were increased three times starting in FY 1991-92 to address increased landfill and recycling costs. Most recently, residential rates were increased in January 1998 by 3% to address projected shortfalls in the Sanitation Fund. Solid waste fees are reviewed annually to determine if the fee structure will generate sufficient revenue to cover fund operating expenses and provide a reserve for capital expenditures and contingencies. As the City approaches build-out (Tempe is a landlocked city), Sanitation revenue growth should slow to a level closely following population and development, aside from any further rate adjustments.

Major Influences: Population, Internal Policy, and Commercial Market/Competition

#### Sanitation Fees





Restrictions																																								
Revenues are used to defray costs of operating the Rolling Hills and Ken McDonald golf courses.																																								
Fiscal Year	Rolling Hills		Ken McDonald																																					
	Amount	Percent Change	Amount	Percent Change																																				
1992-93	\$744,171	1.5	\$879,451	0.4																																				
1993-94	818,018	9.9	1,076,361	22.4																																				
1994-95	824,968	0.9	1,086,521	0.9																																				
1995-96	1,016,217	23.2	1,156,946	63.5																																				
1996-97	1,051,586	3.5	1,294,228	11.9																																				
1997-98	994,964	5.4	1,237,961	4.4																																				
1998-99	997,000	0.2	1,246,000	0.7																																				
1999-00	882,082	(11.5)	1,060,418	(14.9)																																				
2000-01 est.	840,000	(4.8)	1,018,500	(4.0)																																				
2001-02 est.	875,000	4.2	1,060,000	4.1																																				
2002-03 est.	895,000	2.3	1,080,000	1.9																																				
Assumptions																																								
Revenue from greens fees account for nearly 91% of golf course revenues, with the rest coming from lease agreements with the pro shops and restaurant concessionaires. Fees are reviewed annually to ensure that revenues will fully cover the cost of Golf Fund operations while providing a sufficient reserve to address capital funding needs. Golf fees were last adjusted in June 1999 when greens fees for nine holes for non-residents during the Summer increased by \$1. FY 1997-98 revenues fell from the prior year as weather conditions reduced rounds of play. Our projection over the biennium is to conservatively assume no growth in revenues, particularly in light of the volatility that can result from weather conditions or fee changes.																																								
Major Influences: Competition from Other Golf Courses, Weather, and City Fee Policy																																								
Golf Course Fees																																								
<div><div>\$ Thousands</div><div><div><div>Rolling Hills</div><div>Ken McDonald</div></div></div><table><thead><tr><th>Fiscal Year</th><th>Rolling Hills (\$ Thousands)</th><th>Ken McDonald (\$ Thousands)</th></tr></thead><tbody><tr><td>1992-93</td><td>744.171</td><td>879.451</td></tr><tr><td>1993-94</td><td>818.018</td><td>1,076.361</td></tr><tr><td>1994-95</td><td>824.968</td><td>1,086.521</td></tr><tr><td>1995-96</td><td>1,016.217</td><td>1,156.946</td></tr><tr><td>1996-97</td><td>1,051.586</td><td>1,294.228</td></tr><tr><td>1997-98</td><td>994.964</td><td>1,237.961</td></tr><tr><td>1998-99</td><td>997.000</td><td>1,246.000</td></tr><tr><td>1999-00</td><td>882.082</td><td>1,060.418</td></tr><tr><td>2000-01 est.</td><td>840.000</td><td>1,018.500</td></tr><tr><td>2001-02 est.</td><td>875.000</td><td>1,060.000</td></tr><tr><td>2002-03 est.</td><td>895.000</td><td>1,080.000</td></tr></tbody></table></div>					Fiscal Year	Rolling Hills (\$ Thousands)	Ken McDonald (\$ Thousands)	1992-93	744.171	879.451	1993-94	818.018	1,076.361	1994-95	824.968	1,086.521	1995-96	1,016.217	1,156.946	1996-97	1,051.586	1,294.228	1997-98	994.964	1,237.961	1998-99	997.000	1,246.000	1999-00	882.082	1,060.418	2000-01 est.	840.000	1,018.500	2001-02 est.	875.000	1,060.000	2002-03 est.	895.000	1,080.000
Fiscal Year	Rolling Hills (\$ Thousands)	Ken McDonald (\$ Thousands)																																						
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## ***Performance Budget***

The following section includes departmental per capita and aggregate appropriations, goals, objectives, performance indicators, and staffing levels. This section describes activities, services, and functions carried out by organizational units including the measurement of results by unit, objective and fiscal year.



	<u>Page</u>
<b>Issues Management/Strategic Budgeting</b> .....	136
<b>Strategic Issues: Goals and Strategy/Action Plan</b> .....	137
<b>Per Capita Performance Budget</b> .....	145
<b>Performance Budget Summary</b> .....	146
<b>Performance Benchmarking</b> .....	147
<b>Mayor and Council</b> .....	148
<b>City Manager</b> .....	150
Internal Audit .....	152
Neighborhood Program .....	153
Government Relations .....	155
<b>Economic Development</b> .....	156
<b>Community Relations</b> .....	158
<b>Tempe Learning Center</b> .....	160
<b>Strategic Planning</b> .....	162
<b>City Clerk</b> .....	164
<b>City Court</b> .....	166
<b>Human Resources</b> .....	168
<b>City Attorney</b> .....	170
<b>Financial Services</b> .....	172
Administration, Accounting, Budget, Risk Management, Central Services, and Tax & License .....	173
<b>Information Technology</b> .....	176
<b>Development Services</b> .....	178
Administration and Planning & Code Compliance Division .....	180
Housing Services Division .....	182
Community Design and Development Division .....	184
Building Safety and Permits Division .....	185
<b>Police</b> .....	188
Office of the Chief .....	190
Patrol .....	192
Support Services .....	194
Investigations .....	196
<b>Fire</b> .....	198
Administration and Fire Prevention .....	200
Emergency and Medical Services .....	201
Training and Professional Development .....	203
Special Operations .....	204
Support Services and Personnel Safety .....	205
<b>Community Services</b> .....	206
Administration and Parks & Recreation .....	208
Library .....	210
Cultural Services .....	212
Social Services .....	214
<b>Public Works</b> .....	216
Administration and Engineering .....	218
Field Services/Administration and Sanitation .....	220
Field Services/Streets Maintenance .....	222
Field Services/Facility Management .....	224
Field Services/Parks and Golf Course Maintenance .....	226
Equipment Management .....	228
Transportation .....	230
<b>Water Utilities</b> .....	234
Water Utilities-Customer Services .....	236
Water Utilities-Environmental .....	238


**Scope**

Tempe implemented an Issues Management Program designed to enhance the identification, prioritization, and management of emerging strategic issues which, by virtue of their scope, complexity, and/or potential impact on City planning, operations and its citizens, require a coordinated multidepartmental action plan and multiyear budget commitment. Issues for consideration are substantive matters of broad concern to the City including internally generated issues resulting from the City's own operations as well as externally generated issues resulting from governmental and regulatory actions, economic and technological developments, social/demographic trends, or citizen surveys.

**Purpose**

The purpose of an Issues Management program for Tempe is to provide a mechanism for identifying, prioritizing, and managing top priority emerging issues which require interdepartmental coordination and to provide a process for integrating strategic planning and budgeting. Issues Management, to have value, should not be an independent process but must be integrated with budget and operational planning. By design, the program should improve the flexibility and quality of decision making on critical emerging issues by clarifying, sorting, analyzing, and winnowing issues to yield specific priorities and plans which have multiyear operational and budget implications.

<b>Strategic Issues Management Process</b>		
<b>Activity</b>	<b>Responsibility</b>	<b>Timeframes</b>
Identify and prioritize 4 to 5 key goals that each Council Committee wants to achieve and see further progress on for the upcoming budget year. Incorporate goals into Council Committee's workplan.	City Council	August Council Advance
Establish cross-functional teams and/or standing groups to advance each goal identified and develop action plans for each.	City Manager Executive Team	August
Identify and recommend corresponding strategies, action plans, and/or departmental activities to further bring improvement and/or results to goals identified by each committee.	Cross-functional Teams	September/October
Review strategies, action plans, and or departmental activities recommended by the cross-functional team/groups with the Executive Team.	Staff Coordinators Executive Team	Late October, early November Executive Retreat
Review strategies/action plans associated with goal with oversight Council Committee for recommendations, and interface to Committee's work plan.	City Council Committee	Mid/late November
Review strategies, action plans, responsibilities, and associated Council Committee work plan with City Council.	Staff Coordinator City Council	December/January
Incorporate approved goals, strategies, and action plans into operating and capital improvement budget program and structure budget requests.	Executive Team	December/January
Hear and consider FY 2001-03 budget requests from departments (based on FY 2001-03 goals and action plans).	City Council Executive Team	February
Evaluate status of FY 2000-01 goals and action plans with management team (midyear review).	City Council Executive Team	February (midyear review)
Evaluate budget requests and allocate budget resources accordingly (based on approved FY 2001-03 goals and action plans).	Executive Team	March/April
Conduct public sessions on operating and capital improvement budget program (FY 2001-03).	City Council Executive Team	April/May
Adopt budget program.	City Council	June
Review results of goals and action plans established for the fiscal year just completed. Update on goals and strategies established for the current biennium (FY 2001-03). Begin process anew for the next biennial period.	City Council Executive Team	August Council Retreat



Neighborhood Enhancement and Public Safety	
Goal	Strategy/Action Plan
◇ Examine and implement efficient and cost-effective public safety services	<ul style="list-style-type: none"> <li>◆ Carry out the revised police recruiting plan to achieve full police staffing by implementing the second Neighborhood Traffic Enforcement Squad to service neighborhood traffic complaints and promote school safety, expanding the Crime Prevention unit from one to four officers, and by collaborating with the school districts to staff proposed school resource grant positions with additional police officers</li> <li>◆ Implement the amended alarm ordinance to address false alarms and reduce calls for police service</li> <li>◆ Provide on-going support and follow-up for Fire Department Six Year Plan including moving forward with fire station location plan</li> <li>◆ Prepare for Fire Department Reaccreditation in 2002</li> <li>◆ Maintain Fire Department staffing at authorized levels and develop a leadership/experience training program in preparation for a higher level of retirements in the future</li> </ul>
◇ Review and assess planning and preparation for Disaster and Civil Disorder programs and procedures	<ul style="list-style-type: none"> <li>◆ Train staff and plan for the Police Department (PD) response to potential civil disorder through the acquisition of civil disorder equipment, supplies, and line level training, which will occur over the next fiscal year</li> <li>◆ Maintain operation readiness of City of Tempe Emergency Management Plan</li> <li>◆ Conduct an Emergency Management exercise involving all appropriate City departments</li> </ul>
◇ Review and assess public safety prevention and educational efforts	<ul style="list-style-type: none"> <li>◆ Maintain and provide crime statistics and tactical crime information to citizens and PD operational units through the PD Crime Analysis Unit</li> <li>◆ Provide crime bulletins, Block Watch data, sex offender information and call for service information during meetings, upon citizen request, and on the PD web site</li> <li>◆ Report exceptional crime incidents near the Arizona State University (ASU) campus to the ASU Department of Public Safety (DPS) in compliance with the Creary Act</li> <li>◆ Work directly with apartment managers on reducing crime and police calls for service in apartment complexes through the PD's Crime Free Multihousing Program</li> <li>◆ Provide comprehensive distribution to citizens of City of Tempe Emergency Preparedness Guide</li> <li>◆ Implement Fire Department's Urban Survival program in 3 elementary schools as a pilot program</li> <li>◆ Continue comprehensive drowning prevention efforts community wide</li> <li>◆ Expand efforts to insure that smoke detectors are in every residence                             <ul style="list-style-type: none"> <li>◆ Assist neighborhood associations and Tempe Leadership in neighborhood enhancement efforts through smoke detector installation.</li> <li>◆ Canvas targeted areas door to door</li> </ul> </li> </ul>



Neighborhood Enhancement and Public Safety (continued)	
Goal	Strategy/Action Plan
<p>◇ Identify and facilitate current neighborhood issues (crime, transportation, neighborhood deterioration) raised by residents, associations, the Neighborhood Advisory Commission and City staff</p>	<ul style="list-style-type: none"> <li>◆ Continue to conduct annual citizen surveys for beat specific information</li> <li>◆ Assign Patrol Officers to beats for one-year periods with individual Patrol Sergeants overseeing problem-solving in specific beats</li> <li>◆ Assign Crime Prevention Officers and police staff to attend neighborhood association meetings, conduct residential/business surveys, and coordinate Block Watch programs</li> <li>◆ Provide information to citizens on crime trends, patterns and crime prevention techniques through StreetBeat, the PD cable show</li> <li>◆ Expand the yearly GAIN (Getting Arizona Involved in Neighborhoods) event sponsored by the Crime Prevention Unit to include other City departments such as Public Works, Fire, Planning, Code Compliance, Neighborhood Program, etc.</li> <li>◆ Address code violations, loud party complaints, and miscellaneous neighborhood issues currently handled by Code Compliance, PD, and the Neighborhood Program Office</li> <li>◆ Review need for possible amendments to City Codes (Noise, Nuisance, Rental Housing)</li> <li>◆ Review perceived non-enforcement of existing codes (e.g., "handbills distributed to houses")</li> <li>◆ Investigate cooperative relationships between neighborhoods and adjacent strip malls in terms of landscaping maintenance, cleanliness and noise issues</li> <li>◆ Promote neighborhood partnerships and ownership of their issues such as neighborhood clean-ups (Code Enforcement provides Tempe's TOOL Box - "Tools Out On Loan" + Code Enforcement's "HELP" program that provides \$2,000 grants to low-moderate income residents with code violations)</li> <li>◆ Review Neighborhood Program Office's scope of work</li> <li>◆ Develop clear, effective communication with neighborhood groups and public-at-large such as assisting a neighborhood association's consensus assessment (through mailing postcard ballots) on significant neighborhood issues (e.g., curb ramp improvement procedure)</li> <li>◆ Work with Neighborhood Advisory Commission to develop leadership capacity and motivation within neighborhoods through programs (e.g. Neighborhood Leadership Training and Celebrate Neighborhoods Programs)</li> </ul>
Human Services and People Improvement Program	
<p>◇ Collaborate and partner with community groups and organizations to address Tempe's homeless problem and implement the Homeless Task Force Plan</p>	<ul style="list-style-type: none"> <li>◆ Work with the Maricopa Association of Governments Consortium of Care Regional Committee on Homelessness to integrate Tempe's plan into the regional effort</li> <li>◆ Staff a homeless coordinator position to facilitate the delivery of services to homeless individuals and link with the Day Resource Center</li> </ul>
<p>◇ Collaborate with Tempe Adult Day Health Care and review space needs</p>	<ul style="list-style-type: none"> <li>◆ Determine space needs and assess utilization of an existing facility on Maryland Street</li> <li>◆ Pursue rezoning of the facility for adult day care use</li> <li>◆ Complete building improvements to meet licensure requirements</li> <li>◆ Pursue licensure of the facility for adult day care use</li> </ul>



Human Services and People Improvement Program (continued)	
Goal	Strategy/Action Plan
◇ Implement a multi year Tempe People Improvement Plan (PIP) to guide the City in addressing quality of life needs for Tempe residents through development, funding and provision of human services in Tempe	<ul style="list-style-type: none"> <li>◆ Continue to address overall needs for human services through the annual Agency Review process, including projected needs for new resources to cope with inflationary pressures and other unusual factors such as economic downturn; as discussed by the City Council, Capital Improvement Project (CIP) proposals related to human services to be added to the Agency Review process</li> <li>◆ Using a strategic planning approach, address future People Improvement needs through the following phased Study Products: <ul style="list-style-type: none"> <li>◆ Inventory of Tempe's human services and needs during FY 2001-02</li> <li>◆ Study needs through ad hoc task forces by Target Groups during upcoming City of Tempe two-year budget cycles, followed by overall review</li> </ul> </li> </ul>
◇ Continue creating and enhancing opportunities for professional and personal development for City of Tempe Employees	<ul style="list-style-type: none"> <li>◆ Educational partnerships with various institutions</li> <li>◆ Command Spanish and Customer service training programs</li> <li>◆ Management Super Track (MST) 2001 (supervisory training facilitated by City employees)</li> </ul>
◇ Implement employee relation initiatives to make the City of Tempe the employer of choice	<ul style="list-style-type: none"> <li>◆ Reorganization of Human Resources to respond effectively and efficiently to City departmental needs</li> <li>◆ Ongoing evaluation of benefits to help retain quality employees</li> <li>◆ Rewrite of the Personnel Rules and Regulations, primarily focusing on the areas of Equal Employment Opportunity, Family Medical Leave Act (FMLA), Fair Labor Standards Act (FLSA), American with Disabilities Act (ADA), and diversity</li> </ul>
Rio Salado	
◇ Create a live, work and play environment in the Rio Salado Project that adds to the quality of life in Tempe and the region	<ul style="list-style-type: none"> <li>◆ Revise the Rio Salado Masterplan, including , but not limited to: <ul style="list-style-type: none"> <li>◆ Former Bureau of Land Management property</li> <li>◆ Southside from the former land to Tempe Beach Park</li> <li>◆ Rio East site</li> <li>◆ Boardwalk East and West</li> <li>◆ County islands – 1) East of McClintock and 2) North of the 202 from Indian Bend west to Rural Road</li> </ul> </li> <li>◆ Explore potential public/private partnerships in Rio Salado, including: <ul style="list-style-type: none"> <li>◆ Programming of the future marina building/ASU Intercollegiate Athletics Rowing</li> <li>◆ Rio Salado Town Lake Foundation Capital Campaign</li> <li>◆ Fiesta Bowl/Arizona Cardinals/Events</li> <li>◆ Concessions</li> </ul> </li> </ul>



Technology Advancement and Community Development	
Goal	Strategy/Action Plan
◇ Continue Implementation of the Neighborhood Planning Program	<ul style="list-style-type: none"><li>◆ Provide staff support for the Neighborhood Specific Area Planning necessary to complete the program within ten-fifteen years; planning efforts are prioritized to provide planning services to neighborhoods located in the northern one third of the City first then proceed south as the Program and the City mature</li><li>◆ Continue to provide maximum public involvement and education in the Neighborhood Planning Program through Neighborhood Workshop and Neighborhood Block Talk Programs</li><li>◆ Continue close citizen coordination with the Redevelopment &amp; Neighborhood Planning Programs utilizing existing neighborhood associations, Project Area Committees (PAC) and Planning Area Advisory Boards (PAAB)</li><li>◆ Continue implementation of adopted plans as an integral part of the Redevelopment and Neighborhood Planning Programs, including:<ul style="list-style-type: none"><li>◆ University Hayden Butte Redevelopment Area</li><li>◆ Rio Salado Redevelopment</li><li>◆ North Tempe Neighborhood Associations Strategic Area</li><li>◆ Northwest Tempe Neighborhoods Strategic Area</li><li>◆ Apache Blvd. Redevelopment Area</li></ul></li></ul>
◇ Continue to strengthen City's affordable housing programs	<ul style="list-style-type: none"><li>◆ Research, plan and prepare for adoption, a comprehensive Community Affordable Housing Strategy, including needs assessment, asset inventory, program development and finance plan</li><li>◆ Work with newly formed Tempe Community Land Trust (TCLT) to provide for long-term housing affordability throughout the community; TCLT affordability model can be used to provide long-term affordability in City's first-time homebuyer, non-profit new construction and existing housing rehabilitation programs</li><li>◆ Establish a citywide, single-purpose redevelopment district, with a blighted housing condemnation provision, and link to the City's rehabilitation and first-time homebuyer/family self-sufficiency housing programs</li></ul>
◇ Adopt "best practices" in our dealings with citizens, vendors and departments through the implementation of "e-government"	<ul style="list-style-type: none"><li>◆ Reduce requirements for staff interaction in most common business transactions</li><li>◆ Improve the speed of our service delivery through web access</li><li>◆ Reduce the number of steps in our workflow and business processes</li><li>◆ Extend choices and decisions to our citizens through web enablement</li></ul>
◇ Implement systems and technologies that improve the Quality of Life for our residents and employees	<ul style="list-style-type: none"><li>◆ Evaluate and modify the City's Command Centers with improved connectivity and communications</li><li>◆ Investigate and develop technology enhancement and clerical support alternatives for public safety employees</li><li>◆ Evaluate and develop improved system for record keeping and the dissemination of information</li><li>◆ Develop redundancy in our critical business system</li><li>◆ Investigate and develop strategic/tactical communications and response systems</li><li>◆ Investigate and develop systems and devices for monitoring resource deployment</li></ul>



Technology Advancement and Community Development (continued)	
Goal	Strategy/Action Plan
◇ Enhance the availability of technology and its use by our residents and businesses	<ul style="list-style-type: none"><li>✦ Create partnerships with the private sector to improve opportunities for web access, to improve the availability of technology ownership, and to foster business and community alliances to meet community needs as they relate to the Digital Divide</li><li>✦ Coordinate efforts through the Community Services Department and the Tempe Community Council to enable the physically challenged</li><li>✦ Work with various school systems and private sector organizations to improve internet access opportunities for residents of all ages</li></ul>
◇ Advance business technology infrastructure needs	<ul style="list-style-type: none"><li>✦ Inventory Tempe's current broadband suppliers, networks, and miles of fiber in the City</li><li>✦ Partner with telecommunications to meet business and city needs</li></ul>
Transportation	
◇ Complete the Comprehensive Transportation Plan	<ul style="list-style-type: none"><li>✦ Develop and finalize implementation strategies for the plan's primary elements:<ul style="list-style-type: none"><li>✦ Streets and travelways</li><li>✦ Transit</li><li>✦ Parking</li><li>✦ Bicycle/Pedestrian</li><li>✦ Relationship to land use</li><li>✦ Public art</li></ul></li><li>✦ Update all pertinent ordinances to reflect comprehensive transportation plan goals</li><li>✦ Develop a Tempe transportation model, based on the Maricopa Association of Governments (MAG) model</li><li>✦ Identify potential transportation funding sources necessary for implementing elements of the plan</li></ul>
◇ Improve the Street Network consistent with Comprehensive Transportation Goals	<ul style="list-style-type: none"><li>✦ Reduce speed on arterial streets through design, enforcement, and safety education</li><li>✦ Strengthen traffic calming/neighborhood traffic management efforts</li></ul>
◇ Create an improved regional transportation system and management structure	<ul style="list-style-type: none"><li>✦ Develop a timely City response to Vision 21 recommendations, especially relative to local control and funding concerns</li><li>✦ Coordinate and address neighborhood issues and concerns related to US 60 projects</li><li>✦ Monitor potential revenue sharing/funding impacts related to the state's budget/finance strategies (e.g., reacting to the "alternative fuels" issues)</li></ul>





Transportation (continued)	
Goal	Strategy/Action Plan
◇ Enhance the Transportation System	<u>Light Rail Transit</u> <ul style="list-style-type: none"><li>◆ Complete preliminary engineering and obtain environmental approval from the Federal Transit Administration to begin the final design of the Central Phoenix/East Valley Light Rail Transit project through Tempe</li><li>◆ Complete final design</li><li>◆ Coordinate with federal, state, and local agencies to determine the feasibility of accelerating construction of a segment of the project to coincide with the opening of the Cardinal's stadium prior to the projected service opening in 2006</li></ul>
	<u>Bus Service</u> <ul style="list-style-type: none"><li>◆ Increase transit customer service through a transit store which will provide an interim (until completion of the downtown transit center) passenger facility for transit ticket sales, security, and public restrooms</li><li>◆ Strengthen priority of bus/shuttle movement during major special events</li><li>◆ Enhance quality assurance of transit service through increased monitoring of bus service operations</li><li>◆ Implement and expand neighborhood circulator service</li><li>◆ Enhance marketing and public information strategies regarding alternative modes in Tempe, especially involving major employers and partnerships with public and private entities</li><li>◆ Improve express bus service to increase ridership of the express system</li><li>◆ Explore opportunities for School/City partnerships</li></ul>
	<u>Transportation Operations</u> <ul style="list-style-type: none"><li>◆ Develop and implement an automated infrastructure management system for tracking and predicting important maintenance and operations work</li><li>◆ Conduct technical traffic engineering studies and analyses in support of efforts to strengthen the efficiency and safety of the transportation system</li><li>◆ Complete the city's Light Emitting Diodes (L.E.D) retrofit program for traffic signal lights, complete signal system power audit, introduce new energy efficient L.E.D pedestrian signal heads, and introduce new energy efficient fluorescent ballasts for illuminated street signs, all in support of traffic signal efficiency improvements and energy management efforts</li><li>◆ Complete streetlight inventory throughout the city; implement program to identify and replace older, structurally deficient streetlights</li><li>◆ Continue to build intelligent transportation systems to optimize the efficiency of moving people and vehicles through and in Tempe</li></ul>



Finance	
Goal	Strategy/Action Plan
◇ Ensure Long-Term Financial Health of Tempe	<ul style="list-style-type: none"><li>◆ Update Comprehensive Financial Plan (CFP) and Debt Management Plan (DMP)</li><li>◆ Revise budget policies to incorporate CFP &amp; DMP</li><li>◆ Maintain balanced budget for operating funds</li><li>◆ Review sunset provisions for budget items</li><li>◆ Consider implementation of zero-based or other non incremental budget process</li><li>◆ Monitor effect of e-commerce on tax base</li><li>◆ Implement further reductions in property tax and sales tax</li><li>◆ Consider adjustments to sources of sales tax</li><li>◆ Plan for 2002 Bond Election and Permanent base adjustment</li></ul>
◇ Maintain Tempe's Favorable Bond Rating	<ul style="list-style-type: none"><li>◆ Operate within updated CFP &amp; DMP</li><li>◆ Review fund balance standards</li><li>◆ Review bond rating goals</li><li>◆ Review and make recommendations regarding recurring operating expenses</li></ul>
◇ Consider Endowment and bonding programs	<ul style="list-style-type: none"><li>◆ Consider bond financing for neighborhood reinvestment</li><li>◆ Review five year Community services and identify other funding needs</li></ul>
Economic Development	
◇ Retain, Enhance, and Diversify Tempe's Economic Base	<ul style="list-style-type: none"><li>◆ Review incentive policies</li><li>◆ Develop strategic alliances with schools, industry groups and organizations to assist resident businesses and stimulate new business opportunity</li><li>◆ Establish recommendations for establishing a sustainable economy and neighborhood supportive businesses</li><li>◆ Oversee design and implementation of strategies to reduce aviation related pollution and risks to Tempe residents and businesses</li></ul>
◇ Examine and implement strategies for developing broader tax base from special sources and economic development opportunities	<ul style="list-style-type: none"><li>◆ Provide assistance and oversight on stadium and arena opportunities</li><li>◆ Consider status of Rio Salado project development and creation of project-wide plan</li><li>◆ Consider Economic Development opportunities of Art Center and Arts Incubator</li></ul>
◇ Enhance Information Technology	<ul style="list-style-type: none"><li>◆ Provide funding for enhanced use of information technologies</li><li>◆ Expand/advance tech oasis and technology infrastructure to support tech oasis</li><li>◆ Consider additional technology "incubator" programs</li></ul>

Cultural & Community Programs	
Goal	Strategy/Action Plan
◇ Assure community recreational and community services needs are being met through the development of multigenerational centers and maintenance of parks and athletic fields	<ul style="list-style-type: none"> <li>◆ Complete construction of the West Side Multigenerational Center and begin operations (Summer 2001)</li> <li>◆ Begin the community planning and design process for the North Tempe Multigenerational Center</li> <li>◆ Work in collaboration with the Jewish Community Center to develop the first phase of the South Tempe Multigenerational Center</li> <li>◆ Develop a strategy to ensure that athletic fields do not deteriorate due to overuse</li> <li>◆ Consider designation of parks and preserves</li> </ul>
◇ Monitor various aspects of recreational programming and examine impacts	<ul style="list-style-type: none"> <li>◆ Monitor reorganization of Little League and City softball programs</li> <li>◆ Monitor previously approved policies including resident vs. non-resident fees and tournament vs. league play utilization</li> </ul>
◇ Examine golf course operations and assure appropriate administration through a coordinated request for proposal and vendor selection process	<ul style="list-style-type: none"> <li>◆ Coordinate administration of Rolling Hills and Ken McDonald Golf Courses under one administrative contract</li> <li>◆ Develop golf course concession proposal</li> <li>◆ Select a golf course concessionaire</li> <li>◆ Determine need and use of current and/or additional facilities</li> </ul>
◇ Expand Youthfest Courage Awards	<ul style="list-style-type: none"> <li>◆ Expand existing Youthfest to include a larger festival similar to the Tardeada or the Martin Luther King celebrations</li> <li>◆ Collaborate with Tempe Schools and businesses to involve them in Youthfest activities</li> </ul>
◇ Maintain and enhance Tempe's role in coordinating special events	<ul style="list-style-type: none"> <li>◆ Ensure one-stop shop for events process</li> <li>◆ Examine capacity of staff to manage events</li> <li>◆ Examine performance and successes of events</li> </ul>
◇ Examine issues related to the development of the Visual and Performing Arts Center (after direction from Council of the whole)	<ul style="list-style-type: none"> <li>◆ Review various project aspects after direction from the Council of the whole</li> </ul>
◇ Address the operational issues relating to Double Butte Cemetery.	<ul style="list-style-type: none"> <li>◆ Examine issue of cemetery entrance and signage</li> <li>◆ Develop a long-term master plan for Double Butte Cemetery</li> </ul>

## Per Capita Performance Budget



The citywide operating budget for FY 2001-02 totals \$234.0 million and for FY 2002-03 totals \$240.5 million. This represents per capita growth of 5.8% and 2.8%.

In each fiscal year, the City continues to give priority to the areas of Public Works, Public Safety, and Community Services, which accounts for 73% and 74% of the total departmental

budgets in each respective year. Public Works' increase can be attributed to costs associated with the scheduled replacement of sanitation vehicles and enhanced transit service. The increase in per capita cost for Police is primarily due to additional patrol and absorption of grant funded positions. Community Services' growth reflects the City's continued commitment to youth and social services programs.

Department	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Mayor & Council	2.56	2.65	2.97	3.23	3.29
City Manager	4.86	6.08	8.71	6.03	6.42
Internal Audit	1.23	1.36	1.47	1.79	1.93
Neighborhood Program	1.05	1.44	1.40	1.61	1.72
Government Relations	1.98	2.49	2.79	2.89	3.00
Economic Development	6.45	8.76	8.98	9.49	10.01
Community Relations	7.61	8.04	7.67	8.86	7.82
Tempe Learning Center	1.19	1.42	3.96	4.16	4.62
Strategic Planning	-	-	1.00	1.37	1.44
City Clerk	3.83	2.79	2.56	4.43	2.88
City Court	16.03	18.62	17.35	19.54	20.58
Human Resources	12.46	12.13	10.83	18.85	20.97
City Attorney	13.61	15.15	15.65	17.38	18.28
Financial Services	27.34	28.33	28.08	32.26	34.03
Information Technology	-	-	-	-	-
Development Services	82.22	88.95	90.30	98.14	100.50
Police	228.52	250.24	240.79	270.58	281.03
Fire	79.61	82.90	82.20	91.66	95.79
Community Services	93.91	103.30	106.04	120.13	122.83
Public Works	285.31	318.45	312.85	344.49	361.27
Water Utilities	131.70	156.08	151.11	162.71	163.41
<b>Total Departmental Per Capita</b>	<b>\$1,001.47</b>	<b>\$1,109.18</b>	<b>\$1,096.71</b>	<b>\$1,219.60</b>	<b>\$1,261.82</b>
Debt Service	203.06	135.46	77.87	173.94	153.91
Non-Departmental	27.28	32.40	20.93	22.20	23.73
Contingencies	-	96.11	-	28.21	28.58
<b>Total Operating Per Capita</b>	<b>\$1,231.81</b>	<b>\$1,373.15</b>	<b>\$1,195.51</b>	<b>\$1,443.95</b>	<b>\$1,468.04</b>

## Performance Budget Summary



Department	Personal Services	Supplies/Services/Contributions	Capital Outlay	Internal Services	Total Budget
<b>2001-02</b>					
Mayor & Council	\$291,692	\$157,700		\$73,609	\$523,001
City Manager	1,075,182	145,575		(242,997)	977,760
Internal Audit	258,428	5,617		26,810	290,855
Neighborhood Program	226,203	22,300		13,060	261,563
Government Relations	250,220	199,791		18,699	468,710
Economic Development	811,749	975,620		(248,872)	1,538,497
Community Relations	593,978	513,350	205,000	124,019	1,436,347
Tempe Learning Center	535,098	117,720		21,891	674,709
Strategic Planning	196,216	12,665		13,060	221,941
City Clerk	316,104	368,150		33,646	717,900
City Court	2,161,337	463,737		542,362	3,167,436
Human Resources	2,997,082	624,288		(565,858)	3,055,512
City Attorney	2,233,204	402,971	3,450	177,026	2,816,651
Financial Services	3,797,107	1,685,650	27,795	(283,065)	5,227,487
Information Technology	6,250,155	5,805,483	883,690	(12,939,328)	-
Development Services	6,925,432	7,977,889	58,705	943,439	15,905,465
Police	34,493,576	2,779,176	122,794	6,455,930	43,851,476
Fire	12,039,325	1,004,005	642,125	1,168,958	14,854,413
Community Services	13,376,535	3,455,040	132,000	2,504,743	19,468,318
Public Works	21,208,677	33,103,675	2,941,420	(1,424,270)	55,829,502
Water Utilities	8,718,023	12,281,223	698,841	4,671,736	26,369,823
<b>Total Departmental</b>	<b>\$118,755,323</b>	<b>\$72,101,625</b>	<b>\$5,715,820</b>	<b>\$1,084,598</b>	<b>\$197,657,366</b>
Debt Service				28,189,488	28,189,488
Non-Departmental Contingencies				3,597,440	3,597,440
				4,576,077	4,571,077
<b>Total Operating Budget</b>	<b>\$118,755,323</b>	<b>\$72,101,625</b>	<b>\$5,715,820</b>	<b>\$37,447,603</b>	<b>\$234,015,370</b>
Capital Improvements			85,541,430		85,541,430
<b>Total Financial Program</b>	<b>\$118,755,323</b>	<b>\$72,101,625</b>	<b>\$91,257,250</b>	<b>\$37,447,603</b>	<b>\$319,556,800</b>
<b>2002-03</b>					
Mayor & Council	\$303,521	\$158,700		\$76,241	\$538,462
City Manager	1,159,723	145,575		(254,480)	1,050,818
Internal Audit	281,422	7,212		27,800	316,434
Neighborhood Program	246,514	22,300		13,548	282,362
Government Relations	272,719	199,791		19,411	491,921
Economic Development	869,441	989,486	23,250	(242,083)	1,640,094
Community Relations	633,945	518,250		128,456	1,280,651
Tempe Learning Center	608,372	125,985		22,674	757,031
Strategic Planning	210,144	12,670		13,548	236,362
City Clerk	338,347	98,100		34,788	471,235
City Court	2,346,045	462,778		562,123	3,370,946
Human Resources	3,515,861	577,242		(658,722)	3,434,381
City Attorney	2,402,834	407,219		184,031	2,994,084
Financial Services	4,142,104	1,748,396	2,275	(318,984)	5,573,791
Information Technology	6,660,978	6,001,288	755,810	(13,418,076)	-
Development Services	7,420,219	7,985,097	40,000	1,015,859	16,461,157
Police	36,689,821	2,854,911		6,486,425	46,031,157
Fire	12,727,179	1,116,907	675,190	1,170,731	15,690,007
Community Services	14,088,191	3,362,728	39,500	2,628,818	20,119,237
Public Works	22,861,093	34,960,415	2,576,770	(1,224,442)	59,173,836
Water Utilities	9,220,018	12,498,068	419,700	4,902,906	27,040,692
<b>Total Departmental</b>	<b>\$126,998,491</b>	<b>\$74,253,118</b>	<b>\$4,532,495</b>	<b>\$1,170,572</b>	<b>\$206,954,628</b>
Debt Service				25,209,333	25,209,333
Non-Departmental Contingencies				3,615,704	3,615,704
				4,681,764	4,681,764
<b>Total Operating Budget</b>	<b>\$126,998,491</b>	<b>\$74,253,118</b>	<b>\$4,532,495</b>	<b>\$34,677,373</b>	<b>\$240,461,459</b>
Capital Improvements			130,638,313		130,638,313
<b>Total Financial Program</b>	<b>\$126,998,491</b>	<b>\$74,253,118</b>	<b>\$135,170,808</b>	<b>\$34,677,373</b>	<b>\$371,099,772</b>



In the following Performance Budget Section, the reader will note a number of performance measures, or benchmarks related to each department's statement of its goals and objectives. These benchmarks are part of a project currently underway to develop a benchmarking program throughout Tempe city government. Benchmark measures found in this section reflect a sampling of the more critical measures of department performance and service delivery which will be used as the City moves on to the next phases of benchmarking.

Benchmarking has been used for many years in the private sector as a tool for improving efficiency and accountability, lowering costs, and enhancing competitiveness. Companies found that they could improve their own work processes by learning “best industry practices” from recognized leaders in various business sectors. In recent years, governments have become involved in benchmarking, realizing that they too can learn from each other. Properly implemented, benchmarking can provide a systematic tool for evaluating an organization’s work processes and service delivery to determine if costs and service levels are meeting desired objectives and are competitive within the industry.

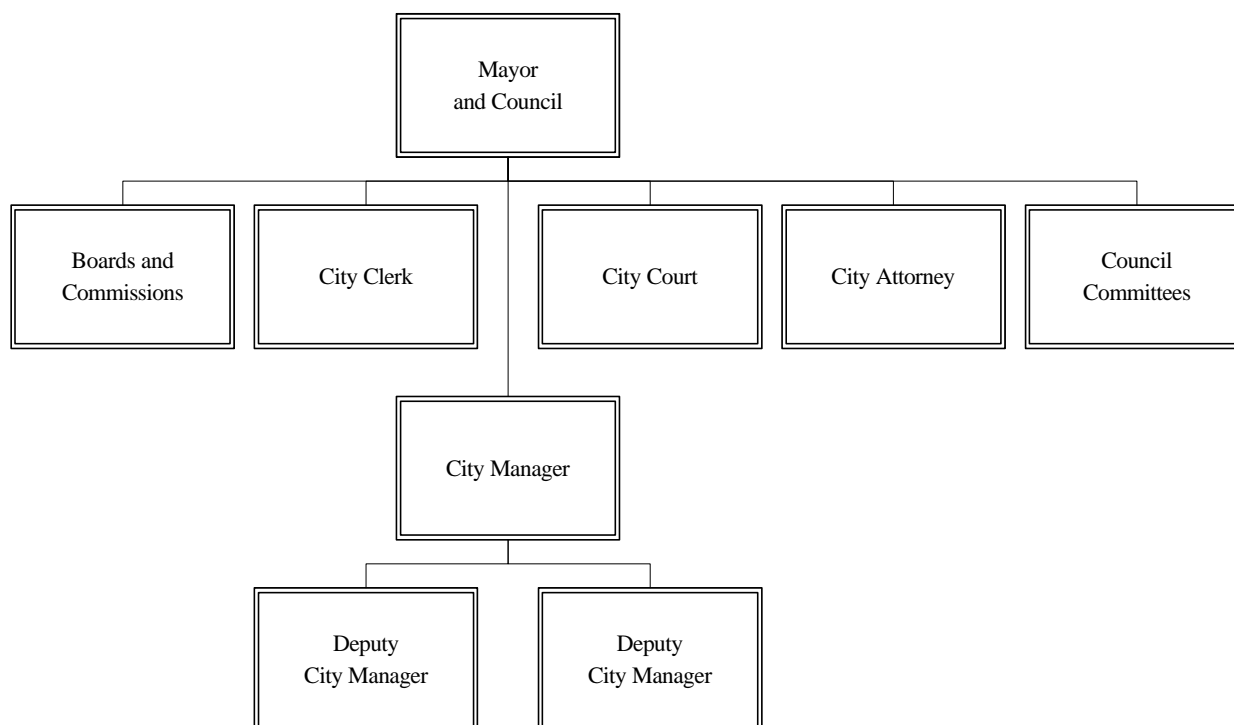
The City has tracked performance indicators for several years as a means of identifying service trends and communicating results to the public. The City made a commitment to develop a benchmarking program modeled after other successful private and public sector efforts. Taking advantage of much work already done on benchmarking nationally, we utilized consensus benchmarks established by several national programs addressing benchmarking, including the International City/County Management Association (ICMA), the Governmental Accounting Standards Board (GASB), Services Efforts and Accomplishments (SEA) program and the Innovation Group.

Tempe’s benchmarking project began in 1994 with its participation in an experimental program coordinated by the Innovation Group, a non-profit organization serving local government. Data for Innovation Group-suggested benchmarks were gathered for a “test” group of City departments for possible comparisons with other local governments in the Innovation Group benchmark database. In addition, the City formally participated in ICMA’s Comparative Performance Measurement Program.

Within the past year, the City has further refined the benchmarks tracked to include benchmarks developed by national professional organizations, as well as those developed by individual departments. Efforts have focused on establishing a database of historical information on a wide array of benchmarks for most City departments. As a result of discussions with the City's management team and input from departments, we have identified the most important 25-30 comparative benchmarks.

Concurrent with these efforts, a comparative benchmarking program was established with peer cities. The goal was to develop and maintain partnerships with cities having comparable demographic and financial characteristics (i.e., population and operating budget size). Further, our intention was to gather data from the benchmark cities to evaluate Tempe’s performance across critical operational areas. The first Peer City Comparative Benchmarking Program Report was generated in FY 2000.

The City has made a long-term commitment to benchmarking and expects to utilize this program as a means to continuously improve our service delivery at the lowest possible cost to the citizens.



The Mayor and six City Council Members are the elected representatives of the citizens of Tempe. They are charged with the formulation of public policy to meet community needs. The City Council is responsible for appointing the City Manager, City Clerk, City Court and City Attorney. Services provided by this division are as follows: (1) represent the City of Tempe citizens (citizen input, advisory boards, intergovernmental relations); (2) formulate legislation (ordinances, resolutions); and (3) establish policy (goals and objectives, resource allocations).

Expenditure by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$208,574	\$224,991	\$236,199	\$291,692	\$303,521
Supplies and Services	86,937	77,100	92,700	82,000	82,000
Capital Outlay	2,312	0	5500	0	0
Internal Services	50,156	52,075	66,477	73,609	76,241
Contributions	57,532	70,808	74,576	75,700	76,700
<b>Expenditure Total</b>	<b>\$405,511</b>	<b>\$424,974</b>	<b>\$475,472</b>	<b>\$523,001</b>	<b>\$538,462</b>
<b>Per Capita</b>	<b>\$2.56</b>	<b>\$2.65</b>	<b>\$2.97</b>	<b>\$3.23</b>	<b>\$3.29</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Mayor and Council	7			7			7		
<b>Total</b>	<b>7</b>			<b>7</b>			<b>7</b>		

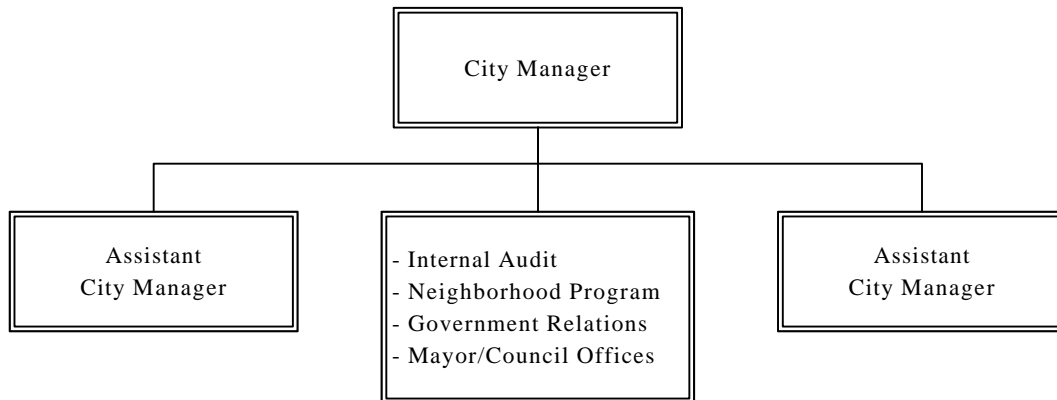


<b>Goal:</b> To represent the citizens of Tempe and formulate and enact policy as the legislative and policy-making body of the municipal government.					
<b>Objective:</b> To formulate policy in response to current and anticipated needs within political, administrative and fiscal constraints.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Council & Council Committee Meetings	114	130	137	140	140
Agenda Items	1,614	1,350	1,614	1,700	1,700
Balanced Budget	Yes	Yes	Yes	Yes	Yes

<b>Goal:</b> To provide effective professional leadership in the implementation of City policy and coordination and administration of the City organization; and to provide community leadership in the formulation of public policy to meet community needs.					
<b>Objective:</b> 1) To supervise City administration; and 2) to oversee citizen boards and commissions.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Council appointees reviewed	4	4	4	4	4
Citizen boards and commissions	29	29	29	29	29

<b>Goal:</b> To implement an annual survey of citizen satisfaction with City services and resource allocation priorities.					
<b>Objective:</b> To enhance citizen input into the budget process.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Citizen survey	No	Yes	Yes	Yes	Yes





Working with the City's governing body, the community, and City staff, the mission of the City Manager's Office is to professionally implement all City Council policy decisions, efficiently direct the City's operations and activities in accordance with sound management principles, and create an organizational culture which results in the delivery of excellent municipal services to the citizens of Tempe. Also, three divisions report directly to the City Manager: 1) Internal Audit, 2) Neighborhood Program, and 3) Government Relations. Internal Audit conducts performance and operational audits of City departments and programs as required by state and federal law and at the request of departments or city management. The Neighborhood Program assists in organizing neighborhood associations and acts as a clearing house for neighborhood concerns. Government Relations represents the City's interests at the federal, state, regional, and local levels.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$1,302,069	\$1,670,516	\$2,035,780	\$1,810,034	\$1,960,378
Supplies and Services	153,342	135,970	194,691	189,862	191,457
Internal Services	(164,011)	(162,867)	(119,386)	(184,429)	(193,721)
Contributions	155,247	178,750	193,521	183,421	183,421
<b>Expenditure Total</b>	<b>\$1,446,647</b>	<b>\$1,822,369</b>	<b>\$2,304,606</b>	<b>\$1,998,888</b>	<b>\$2,141,535</b>
<b>Per Capita</b>	<b>\$9.12</b>	<b>\$11.37</b>	<b>\$14.37</b>	<b>\$12.33</b>	<b>\$13.07</b>

<b>Expenditures by Department</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
City Manager	\$771,419	\$975,339	\$1,396,263	\$977,760	\$1,050,818
Internal Audit	194,407	217,921	235,865	290,855	316,434
Neighborhood Program	166,179	230,577	224,465	261,563	282,362
Government Relations	314,642	398,532	448,013	468,710	491,921
<b>Expenditure Total</b>	<b>\$1,446,647</b>	<b>\$1,822,369</b>	<b>\$2,304,606</b>	<b>\$1,998,888</b>	<b>\$2,141,535</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
City Manager	13		1.49	13		1.49	13		1.49
Internal Audit	3			3			3		
Neighborhood Program	3			3			3		
Government Relations	3			3			3		
<b>Total</b>	<b>22</b>		<b>1.49</b>	<b>22</b>		<b>1.49</b>	<b>22</b>		<b>1.49</b>

<b>Goal:</b> To provide effective management and leadership to the operating departments to ensure the achievement of City goals in an efficient and responsible manner.					
<b>Objective:</b> 1) To plan and organize City Council meetings so that appropriate decisions are made in a timely manner; and 2) formulate and gain Council approval of strategic issues which provide the framework for departmental goals and objectives.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
City Council meetings staffed	38	38	38	38	38
Strategic issues	32	32	34	34	34

## Internal Audit



Internal Audit is responsible for enhancing the quality of City government, products and services, and providing independent, timely and relevant information concerning the City's programs, activities, and functions. This is accomplished by responding to requests to conduct objective evaluations of departments, divisions, and systems or units thereof. Internal Audit's work is vital in maintaining the general public's trust and confidence that City resources are used effectively and efficiently.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$161,600	\$183,223	\$205,714	\$258,428	\$281,422
Supplies and Services	5,231	4,917	6,030	5,617	7,212
Internal Services	27,575	29,781	24,121	26,810	27,800
<b>Expenditure Total</b>	<b>\$194,407</b>	<b>\$217,921</b>	<b>\$235,865</b>	<b>\$290,855</b>	<b>\$316,434</b>
<b>Per Capita</b>	<b>\$1.23</b>	<b>\$1.36</b>	<b>\$1.47</b>	<b>\$1.79</b>	<b>\$1.93</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Internal Audit	3			3			3		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

<b>Goal:</b> To provide an internal consulting service to City Administration and the operating departments that assists in evaluating the operations of the various departments and strives to ensure that products and services are provided in an efficient and effective manner.					
<b>Objective:</b> To perform independent evaluation and quality improvement initiatives/studies of City departments, divisions, and systems or units thereof.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Management advisory services	6	6	6	6	6
Citywide audit plan	1	1	1	1	1
Performance and operational audits	1	2	2	1	2
Internal control review audits	1	5	1	3	3
Contract compliance audits	0	0	0	2	1
Self-assessment projects	2	2	0	1	1



The Neighborhood Program, under the direction of the City Manager's Office, was created by City Council Resolution in 1987. The City of Tempe's Neighborhood Program is designed to help preserve the integrity of Tempe's residential areas and to promote a sense of community. It provides technical and informational services to 67 neighborhood associations, 90 homeowner associations and 5 affiliate groups. The Neighborhood Program's key role is to maintain clear communication lines between neighborhood groups and City government, focusing on identifying, resolving and preventing neighborhood problems. Specific activities include: (1) providing a "services center" for neighborhood associations in terms of creation, clerical support, problem-solving, and monitoring projects; (2) disseminating information through quarterly newsletters, board/commission agendas, meetings with and presentations to associations; (3) coordinating/monitoring activities of the Neighborhood Service Team to assess and resolve neighborhood issues; (4) coordinating the annual Neighborhood Improvement Program Grant that allocates \$225,000 to neighborhood and homeowner associations for capital projects of community wide benefit; (5) coordinating a citywide Neighborhood Leadership Academy; (6) serving as an informational link among associations, City staff and elected officials; and (7) providing staff support to the Neighborhood Advisory Commission.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$120,611	\$193,834	\$183,927	\$226,203	\$246,514
Supplies and Services	31,564	19,138	28,800	22,300	22,300
Internal Services	14,004	17,605	11,738	13,060	13,548
<b>Expenditure Total</b>	<b>\$166,179</b>	<b>\$230,577</b>	<b>\$224,465</b>	<b>\$261,563</b>	<b>\$282,362</b>
<b>Per Capita</b>	<b>\$1.05</b>	<b>\$1.44</b>	<b>\$1.40</b>	<b>\$1.61</b>	<b>\$1.72</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Neighborhood Program	3			3			3		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		



<b>Goal:</b> To preserve and improve existing neighborhoods in the City of Tempe by encouraging citizen participation in the problem-solving/planning activities with City staff and elected officials. <b>Objective:</b> 1) To enhance neighborhoods through maintenance of private properties with City-driven strategies; 2) encourage maintenance of private properties through self-help programs; 3) facilitate neighborhood problem-solving strategies with appropriate City departments (e.g., coordinating the Neighborhood Grant Program); 4) strengthen a sense of community by establishing partnerships with schools, businesses and civic organizations; and 5) keep neighborhoods involved and informed about City issues and programs.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Participating households	33,173	34,000	35,072	36,000	37,000
Percent change	-	2.5%	5.7%	2.6%	2.8%
Grant applications received	39	36	40	42	45
Households awarded grants	7,500	7,500	6,610	7,750	8,000
Grant funds awarded	\$175,000	\$175,000	\$175,000	\$225,000	\$225,000
Matching funds received	\$177,000	\$120,000	\$140,000	\$150,000	\$150,000
Mailing sent by office*	52,396	-	56,355	58,000	60,000

\* New measure

## Government Relations



Government Relations, under the direction of the City Manager's office, is responsible for the following activities: (1) coordination of all state and federal legislative activities; (2) oversight of all Maricopa Association of Governments programs and other intergovernmental activities; (3) review and coordination of various transportation and air quality issues, in conjunction with the Transportation Division; (4) staff assistance on special projects to the City Manager, Deputy City Managers and Mayor and City Council; and (5) serve as a liaison to the Tempe Sports Authority.

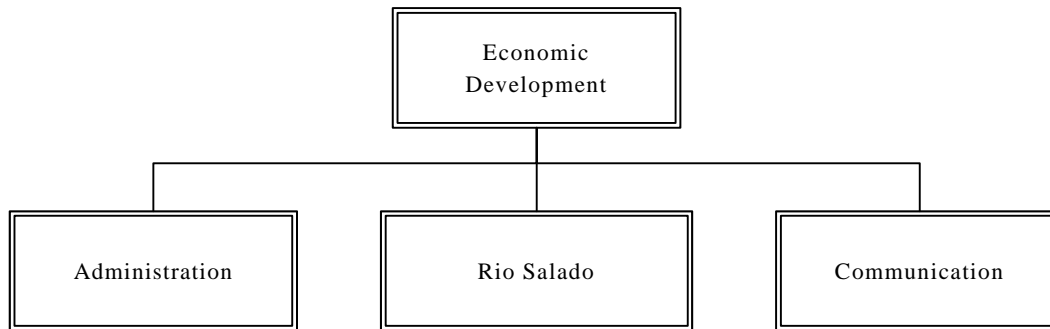
<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$145,450	\$204,752	\$290,565	\$250,220	\$272,719
Supplies and Services	12,936	8,212	28,153	16,370	16,370
Internal Services	6,009	6,818	16,774	18,699	19,411
Contributions	150,247	178,750	193,521	183,421	183,421
<b>Expenditure Total</b>	<b>\$314,642</b>	<b>\$398,532</b>	<b>\$448,013</b>	<b>\$468,710</b>	<b>\$491,921</b>
<b>Per Capita</b>	<b>\$1.98</b>	<b>\$2.49</b>	<b>\$2.79</b>	<b>\$2.89</b>	<b>\$3.00</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Government Relations	3			3			3		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

**Goal:** To maintain effective communication with the City's state and federal legislative delegation.

**Objective:** To preserve the City's existing revenue base and local zoning authority through regular meetings with appropriate parties. Advocate for Federal and State appropriations for energy, water and transportation projects.

<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Joint City Council/Legislative meetings	2	2	3	2	2
Briefings with federal legislative delegation	2	2	2	2	2



Economic Development is responsible for a wide range of activities that focus on promoting Tempe as a favorable place for business location and expansion. Its other responsibilities include management of the Rio Salado Town Lake project and coordinating development in the Rio Salado region. Economic Development performs the following activities: (1) work with prospective businesses; (2) coordinate regional and local entities in attracting quality companies; (3) broaden the Tempe tax base; (4) encourage educational, cultural and recreational opportunities that make for a well-balanced city and contribute to the quality of life; and (5) foster the development of the Rio Salado area.

#### 2001-03 Highlights:

The biennial budget includes funding to continue the strategic alliance initiatives managed by Economic Development (such as the economic alliance with Regensburg, Germany, and Tempe's membership in the Arizona Technology Incubator and other economic development associations). The Rio Salado Fund budget was increased to fund additional policing and groundskeeping services in the Rio Salado Town Lake area (city-owned areas outside the Community Facilities District boundaries).

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$732,082	\$780,701	\$733,939	\$811,749	\$869,441
Supplies and Services	269,543	743,671	742,538	770,824	781,140
Capital Outlay	145,925	0	0	0	23,250
Internal Services	(327,198)	(337,417)	(254,648)	(248,872)	(242,083)
Contributions	202,880	217,325	217,325	204,796	208,346
<b>Expenditure Total</b>	<b>\$1,023,232</b>	<b>\$1,404,280</b>	<b>\$1,439,154</b>	<b>\$1,538,497</b>	<b>\$1,640,094</b>
<b>Per Capita</b>	<b>\$6.45</b>	<b>\$8.76</b>	<b>\$8.98</b>	<b>\$9.49</b>	<b>\$10.01</b>

Expenditures by Division	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Economic Development	\$454,862	\$496,768	\$513,968	\$557,452	\$577,921
Rio Salado	568,370	907,512	925,186	1,056,480	1,127,763
<b>Total</b>	<b>\$1,023,232</b>	<b>\$1,404,280</b>	<b>\$1,439,154</b>	<b>\$1,538,497</b>	<b>\$1,640,094</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Economic Development	3			3			3		
Rio Salado	9		.49	9		.49	9		.49
<b>Total</b>	<b>12</b>		<b>.49</b>	<b>12</b>		<b>.49</b>	<b>12</b>		<b>.49</b>



<b>Goal: 1) To foster good communication between existing businesses and local government; and 2) increase job opportunities for residents.</b>					
<b>Objective: 1) To retain existing businesses in Tempe; 2) hold quarterly business round-table meetings with Mayor and City Council; and 3) recruit new businesses to Tempe.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Calls on existing Tempe businesses	58	50	50	50	50
Quarterly business round-table meetings with Mayor and City Council	4	4	4	4	4
Opportunities to retain Tempe businesses	5	5	5	5	5

<b>Goal: To diversify the Tempe economy.</b>					
<b>Objective: To continue to "trigger" development in Tempe, including the Rio Salado project area.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
New research and development operations	1	1	1	1	1
New office users	6	6	6	6	6
New sales tax generator	0	1	1	1	1
Jobs generated by new companies	3,000	2,500	1,500	2,500	2,500
New businesses brought to Tempe	8	10	10	10	10
Successful business retentions and expansions	6	5	5	5	5

<b>Goal: To increase use of Tempe Town Lake and the surrounding Rio Salado parks.</b>					
<b>Objective: To increase revenues from annual and daily boat permits, boating classes, and park reservations/permits.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Boat permit revenues*	\$40,192	-	\$28,212	\$28,500	\$29,000
Boating class revenues*	\$1,560	-	\$7,060	\$7,250	\$7,250
Rio Salado park permit revenues*	\$9,380	-	\$11,002	\$12,000	\$12,000

\* New measure





Community  
Relations

Community Relations handles all public information and media relations for the City and manages the City's cable television operation. It is responsible for keeping the community informed about programs and activities within the City as well as working on Tempe's image locally, regionally, and nationally. Services provided by this office include media relations, graphic design, public relations, special event coordination, audio-visual, and government access cable channel coordination.

**2001-03 Highlights:**

In Year 1, additional funding was provided for: the replacement and upgrade of equipment for the Council Chambers Voting & Recording System; additional programming for Tempe Cable 11; and the upgrade of the entire media system from aging analog equipment to digital.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$539,153	\$592,009	\$571,270	\$593,978	\$633,945
Supplies and Services	426,129	495,132	464,558	431,350	436,250
Contributions	130,200	82,000	82,000	82,000	82,000
Capital Outlay	0	0	0	205,000	0
Internal Services	110,924	119,443	111,955	124,019	128,456
<b>Expenditure Total</b>	<b>\$1,206,409</b>	<b>\$1,288,584</b>	<b>\$1,229,783</b>	<b>\$1,436,347</b>	<b>\$1,280,651</b>
<b>Per Capita</b>	<b>\$7.61</b>	<b>\$8.04</b>	<b>\$7.67</b>	<b>\$8.86</b>	<b>\$7.82</b>

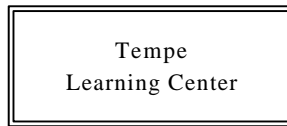
<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Community Relations	8		1.34	8		1.34	8		1.34
<b>Total</b>	<b>8</b>		<b>1.34</b>	<b>8</b>		<b>1.34</b>	<b>8</b>		<b>1.34</b>



**Goal:** To keep Tempe residents, the general public, City employees and the media informed about City issues, programs, community events and organizational changes; and position the City positively locally, regionally and nationally.

**Objective:** 1) To provide information to the community through newsletters, brochures, press releases and advertising; 2) design and produce high quality informational publications, promotional items and visual graphics for all City departments that reflect the image of Tempe; and 3) provide the City with high quality audio/visual, media production and *Tempe cable 11* programming services.

Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Tempe Today water bill newsletter	12	12	12	12	12
Newsbreak city employee newsletter	50	50	50	50	50
Newspaper advertisements	30	30	30	30	30
Press releases	144	150	144	144	144
Major issues management	25	25	25	25	25
Informational publications	80	80	85	85	85
Internet/Intranet publications	30	30	30	40	40
Major publication ads	12	12	12	15	15
Fiesta Bowl media packets	800	800	650	700	1,000
Water bill insert flyers	12	12	12	12	12
Newsletters for other divisions	8	10	10	12	8
City, Transit & Fire Performance Reports	3	3	3	3	3
Gifts: baskets, bowls, promotional items	50	50	50	50	50
Special Projects	5	5	5	10	10
Major event graphic support	8	8	8	10	10
Audio/visual equipment & staging	52	50	49	50	50
Still photography assignments	85	60	61	60	60
Video productions	159	200	186	200	200



The Tempe Learning Center (TLC), started in 1998, is responsible for employee training and development of all City employees. Guided by the Tempe Learning Center Board, TLC provides learning opportunities related to management, supervision, customer service, computers and specific job skills. Through seminars, computer-based training, and educational partnerships with local colleges, TLC is preparing Tempe workers for the future.

#### 2001-03 Highlights:

Year 1 is the first full year that provides funding for the following: the creation of the TLC Director position; the purchase of a citywide training administration system; the establishment of educational partnerships; and the development of a 3.5 day supervisory training program, to include employees striving to become leaders/supervisors within the City. Additionally, the budget and oversight of tuition reimbursement for City employees moved to TLC from Human Resources in FY 2000-01.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$62,887	\$113,474	\$509,253	\$535,098	\$608,372
Supplies and Services	104,015	106,114	106,114	117,720	125,985
Capital Outlay	13,573	0	0	0	0
Internal Services	8,019	7,718	19,757	21,891	22,674
<b>Expenditure Total</b>	<b>\$188,484</b>	<b>\$227,306</b>	<b>\$635,124</b>	<b>\$674,709</b>	<b>\$757,031</b>
<b>Per Capita</b>	<b>\$1.19</b>	<b>\$1.42</b>	<b>\$3.96</b>	<b>\$4.16</b>	<b>\$4.62</b>

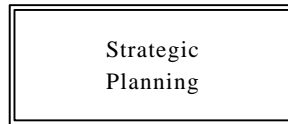
Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Tempe Learning Center	3			3			3		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

<b>Goal:</b> 1) To facilitate continuous learning throughout the City of Tempe; and 2) to provide opportunities for our employees to develop their skills, knowledge and ability to perform their current and future responsibilities in the most effective and efficient manner possible. <b>Objective:</b> 1) Deliver Super Track Leadership Academy in response to employee needs assessments; 2) deliver M.S.T. 2001 to all supervisors and potential supervisors; 3) establish new educational partnership programs to include technical and trade partnerships; 4) provide customized Spanish courses to meet departmental/division needs; 5) with HR, continue co-hosting Tempe Essentials, a new employee orientation with 95% of new employees participating; and 6) present on TLC at all new employee orientations.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Class participants in TLC-sponsored programs	986*	700	702	700	700
Supervisors participating in the Supervisory Track Leadership Academy	52	Program on hold	25	52	75
New employees attending Tempe Essentials	182	150	151	150	150
Percent of new employees attending	54%	95%	70%	95%	95%
Supervisors attending MST 2001**	-	-	220	180	-
Customized Spanish courses participants**	-	45	133	167	210
New employee orientation presentations**	-	-	20	24	24

<b>Goal:</b> To create a culture that is responsive to change and continuous improvement, encourages innovation, fosters teamwork, and provides measurable results. TLC is designed to provide a clearinghouse for all learning-related activities in the City of Tempe, including supervisory and leadership development, safety, computer, and other job-related programs. <b>Objective:</b> 1) Increase the number of internal training courses; 2) establish new educational partnership programs to include technical and trade partnerships; 3) revise SuperTrack to emphasize leadership skills; 4) increase the number of city training opportunities that will also earn college credit for employees participating in the training; 5) implement on-line courses on city specific topics; 6) initiate special projects to enhance learning opportunities for city employees; 7) deliver M.S.T. 2001 to all supervisors and potential supervisors; and 8) develop long-term training strategic plan.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Internal training courses & workshops/seminars	16	16	9	10	15
Educational partnership efforts established	3	3	3	9	11
Increase number of opportunities to receive college credit for training**	-	-	-	11	15
Initiate special projects: Education/Safety/ Benefits Fair & MST 2001**	-	-	520	780	80
Supervisors attending MST 2001**	-	-	220	180	0
Develop 3-year training strategic plan**	-	-	1	1	1

\* Training – Civil Treatment for Managers and Civil Treatment for Employees

\*\* New measure



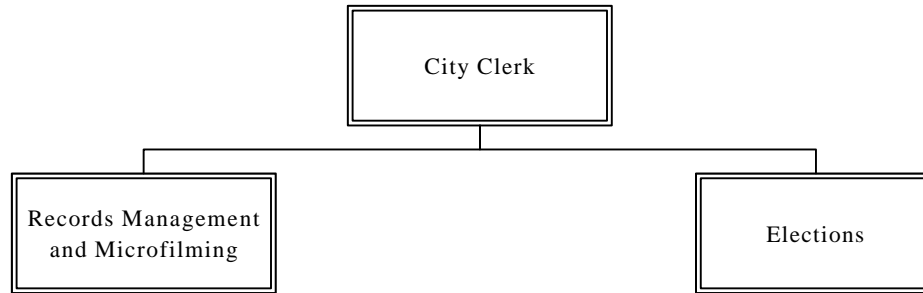
Strategic Planning, started in fiscal year 2000-01, is responsible for (1) overseeing and leading the City's Strategic Planning function by assisting City departments in their long-range planning efforts, providing a central repository of information, and facilitating practical, action-oriented guides based on an examination of internal and external factors, which direct goal-setting and resource allocation to achieve meaningful results over time, (2) serving as the City's "Think Tank" for future planning efforts by examining future trends in and the needs and expectations of customers, stakeholders and policy makers in defining departmental missions, goals, and performance measures.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services			\$132,621	\$196,216	\$210,144
Supplies and Services			15,300	12,665	12,670
Internal Services			11,724	13,060	13,548
<b>Expenditure Total</b>			<b>\$159,645</b>	<b>\$221,941</b>	<b>\$236,362</b>
<b>Per Capita</b>			<b>\$1.00</b>	<b>\$1.37</b>	<b>\$1.44</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Strategic Planning	1			2			2		
<b>Total</b>	<b>1</b>			<b>2</b>			<b>2</b>		



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The City Clerk, appointed by the Mayor and City Council pursuant to the Tempe City Charter, serves as the legal custodian of the City's official records, Tempe City Code, minutes, ordinances, resolutions, contracts/agreements, deeds, leases, insurance certificates, bonds, annexation documents, notarized affidavits of publications, meetings and agenda postings; serves as the Chief Elections Officer of the City; administers Council Meetings; affixes the City Seal on all official documents; and attests to all official acts of the Mayor posting meetings notices, advertising public hearings and calls for bids, attending bid openings, preparing departments by providing microfilming services; (3) administer City primary, general and special elections; (4) serve as secretary to Tempe Firefighter/Police Public Safety Personnel Retirement boards; and (5) assist the Mayor in the administration of appointing members to serve on various City boards and commissions as established by Council.

Expenditure by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$278,459	\$297,892	\$285,610	\$316,104	\$338,347
Supplies and Services	265,210	95,113	95,113	368,150	98,100
Capital Outlay	14,188	0	0	0	0
Internal Services	50,363	54,592	30,508	33,646	34,788
<b>Expenditure Total</b>	<b>\$608,220</b>	<b>\$447,597</b>	<b>\$411,231</b>	<b>\$717,900</b>	<b>\$471,235</b>
<b>Per Capita</b>	<b>\$3.83</b>	<b>\$2.79</b>	<b>\$2.56</b>	<b>\$4.43</b>	<b>\$2.88</b>

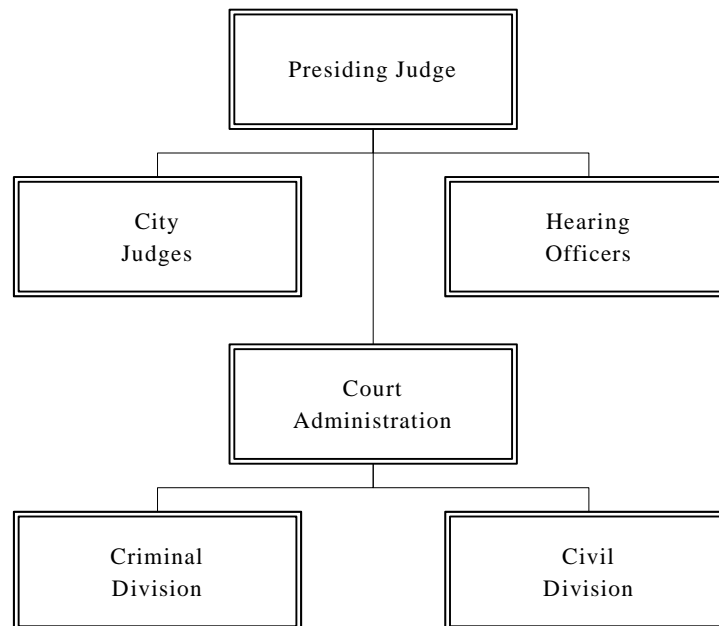
Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Clerk	5		.58	5		.58	5		.58
<b>Total</b>	<b>5</b>		<b>.58</b>	<b>5</b>		<b>.58</b>	<b>5</b>		<b>.58</b>

<b>Goal:</b> To continue providing an effective microfilming program through the development of a computerized indexing system. <b>Objective:</b> To maintain a sufficient level of microfilming for various departments in accordance with the State of Arizona Department of Library and Archives.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Rolls microfilmed	55	204	59	60	65
Percent change	-	270%	(71%)	1.7%	8.3%

<b>Goal:</b> To monitor and maintain all council and citywide contracts and agreements, process all ordinances and resolutions, and advertise and post all bids. <b>Objective:</b> 1) To effectively maintain and monitor all contracts/agreements for the city and ensure that an original signed and executed copy is on file in the clerk's office; 2) effectively process all ordinances and resolutions including advertising, signatures, recording with the county recorder, distributing to all code users and keeping current files; and 3) advertise and post all bids in accordance with state statutes.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Contracts and agreements processed	217	390	245	250	260
Ordinances and resolutions processed	285	178	312	350	375
Bids advertised and posted	108	72	123	130	140

<b>Goal:</b> To administer citywide elections. <b>Objective:</b> To administer Mayor/Council election in the spring of 2002.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Early ballots processed					
(Pimary & General)	14,364	-	-	21,546	-
Polling places set up (Primary & General)	38	-	-	57	-
Voter participation (Primary & General)	17,556	-	-	26,334	-
Sample ballots prepared & mailed (Primary & General)	137,000	-	-	220,000	-





City Court consists of three divisions including (1) Administration, (2) Criminal, and (3) Civil. It is a municipal limited jurisdiction court and deals with criminal misdemeanor and primarily civil traffic cases. The court includes all judicial, administrative, and staff functions necessary to accomplish the court's mission. This includes initial appearances, arraignments, pre-trial conferences, orders to show cause, subpoenas, arrest warrants, jury and non-jury trials, hearings, misdemeanor search warrants, orders of protection, injunctions against harassment, and financial services to collect fines, fees, surcharges and restitution.

#### 2001-03 Highlights:

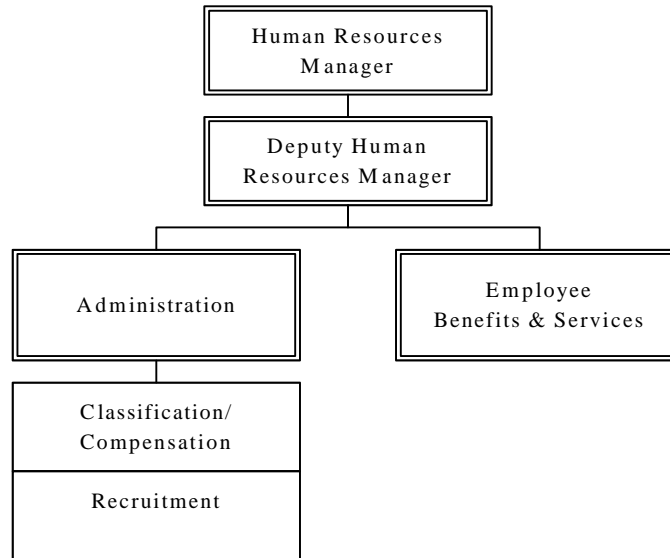
In Year 2 of the biennium, a full-time Court Specialist was authorized for the Selective Enforcement Unit to address an increase in civil traffic workload.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,657,658	\$1,994,745	\$1,832,857	\$2,161,337	\$2,346,045
Supplies and Services	399,507	458,787	458,787	463,737	462,778
Capital Outlay	0	900	900	0	0
Internal Services	484,891	530,559	488,634	542,362	562,123
<b>Expenditure Total</b>	<b>\$2,542,056</b>	<b>\$2,984,991</b>	<b>\$2,781,178</b>	<b>\$3,167,436</b>	<b>\$3,370,946</b>
<b>Per Capita</b>	<b>\$16.03</b>	<b>\$18.62</b>	<b>\$17.35</b>	<b>\$19.54</b>	<b>\$20.58</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Court	34		4.2	34		4.2	34		4.2
<b>Total</b>	<b>34</b>		<b>4.2</b>	<b>34</b>		<b>4.2</b>	<b>34</b>		<b>4.2</b>



<b>Goal:</b> To improve efficiency and effectiveness in the City Court system's adjudication process.					
<b>Objective:</b> 1) To ensure that an arrest warrant will be issued within 48 hours for all defendants who fail to appear for a criminal arraignment; and 2) ensure that a driver's license default will be issued within 48 hours for all defendants who fail to appear for a civil arraignment.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Failures to Appear Criminal Arraignments	6,306	5,574	5,473	5,800	6,300
Percent Change	-	(12%)	(1%)	6%	9%
Failures to Appear Civil Arraignments	11,645	18,100	16,520	16,700	17,400
Percent Change	-	55%	(9%)	1%	4%
Arrest warrants issued within 48 hours	6,306	5,574	5,473	5,800	6,300
Percent issued	100%	100%	100%	100%	100%
Defaults issued within 48 hours	11,645	18,100	16,520	16,700	17,400
Percent issued	100%	100%	100%	100%	100%



The Human Resources Department is responsible for attracting and retaining a qualified and diverse work force, improving organizational productivity and effectiveness, and effectively communicating with employees regarding their rights, responsibilities, opportunities and benefits. The divisions within Human Resources include Administration, Employment, and Employee Benefits. Services provided by this department include (1) classification and compensation, (2) recruitment and selection, (3) employee benefits, (4) personnel and payroll records, and (5) employee relations.

#### 2001-03 Highlights:

In Year 1, funding was provided for an additional full-time H.R. Technician I as part of the Employee Benefits & Services team, which was offset by a vacant part-time position. Non-recurring budget was made available for a contract analyst to assist the Classification/Compensation Team in the comprehensive review and analysis of, and recommendations for improvements to, the current compensation system. Additional funding was also provided for the upgrade of the HR applicant tracking software, plus temporary increases for the expected rise in the number of exams for certain applicants.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,876,854	\$1,925,968	\$1,756,180	\$2,997,082	\$3,515,861
Supplies and Services	354,413	288,855	288,855	624,288	577,242
Capital Outlay	17,037	0	0	0	0
Internal Services	(272,408)	(269,807)	(308,387)	(565,858)	(658,722)
<b>Expenditure Total</b>	<b>\$1,975,896</b>	<b>\$1,945,016</b>	<b>\$1,736,648</b>	<b>\$3,055,512</b>	<b>\$3,434,381</b>
<b>Per Capita</b>	<b>\$12.46</b>	<b>\$12.13</b>	<b>\$10.83</b>	<b>\$18.85</b>	<b>\$20.97</b>

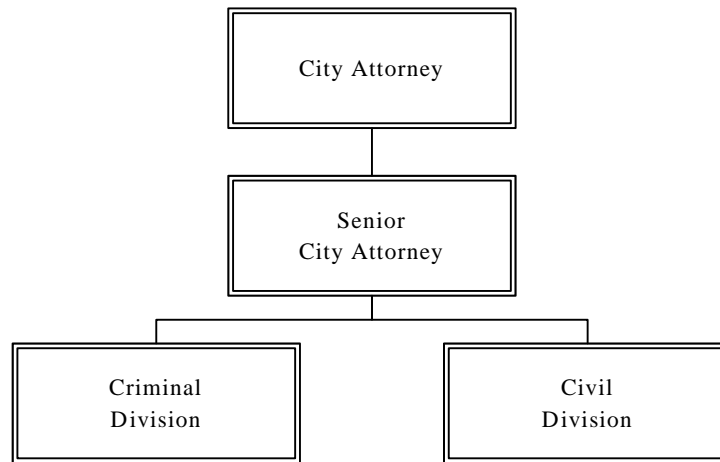
Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Human Resources	18	1.0		19			19		
<b>Total</b>	<b>18</b>	<b>1.0</b>		<b>19</b>			<b>19</b>		



<b>Goal: To attract and retain a healthy, qualified workforce.</b>					
<b>Objective: To maintain turnover rate at 10% of total workforce.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Total citywide full-time equivalent positions	1,845.02	1,874.43	1,875.63	1,939.73	1,947.73
Employee turnover rate	13.9%	9.0%	9.6%	10.0%	10.0%

<b>Goal: To improve organizational productivity, effectiveness and efficiency.</b>					
<b>Objective: 1) To minimize increases in cost and Human Resources positions; and 2) minimize the number of days to complete recruitments.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Projected	2002-03 Projected
Total cost per citywide FTE	\$812	\$1,025	\$772	\$981	\$1,025
Percent change	-	4.5%	(4.9%)	27.1%	4.5%
Citywide FTE's served per Human Resources staff	91	99	96	97	99
Percent change	-	1.9%	5.2%	1.0%	1.9%
Average number of days to complete an <u>external</u> , competitive recruitment and selection process	35	35	35	40	40
Average number of days to complete an <u>internal</u> , competitive recruitment and selection process	23	22	21	26	26

*Comparative Benchmark*



The City Attorney, appointed by the Mayor and City Council under the City Charter, is legal advisor and attorney for the City. Activities include presentation and defense of the City's legal interests and rights and prosecution for misdemeanor complaints. The City Attorney also is responsible for attending City Council meetings and serving as legal counsel during such meetings. Services are as follows: (1) support the legislative and administrative processes (ordinances, opinions, litigation, contracts, legal research, liens); (2) present and defend the City's legal interests and rights before all courts, legislative and administrative tribunals; and (3) prosecute complaints (misdemeanor traffic and criminal, municipal and superior courts).

#### 2001-03 Highlights:

The biennial budget includes funding for: a Paralegal (1 FT) to reduce attorney active caseload from 45 to 30 tort cases; a Legal Assistant (1 FT) to address increased workload associated with (20-50) daily arraignments; and an increase in legal fees associated with unforeseen litigation.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,680,979	\$1,849,141	\$1,922,679	\$2,233,204	\$2,402,834
Supplies and Services	331,696	415,479	441,721	402,971	407,219
Capital Outlay	(543)	0	0	3,450	0
Internal Services	147,144	164,399	144,776	177,026	184,031
<b>Expenditure Total</b>	<b>\$2,159,277</b>	<b>\$2,429,019</b>	<b>\$2,509,176</b>	<b>\$2,816,651</b>	<b>\$2,994,084</b>
<b>Per Capita</b>	<b>\$13.61</b>	<b>\$15.15</b>	<b>\$15.65</b>	<b>\$17.38</b>	<b>\$18.28</b>

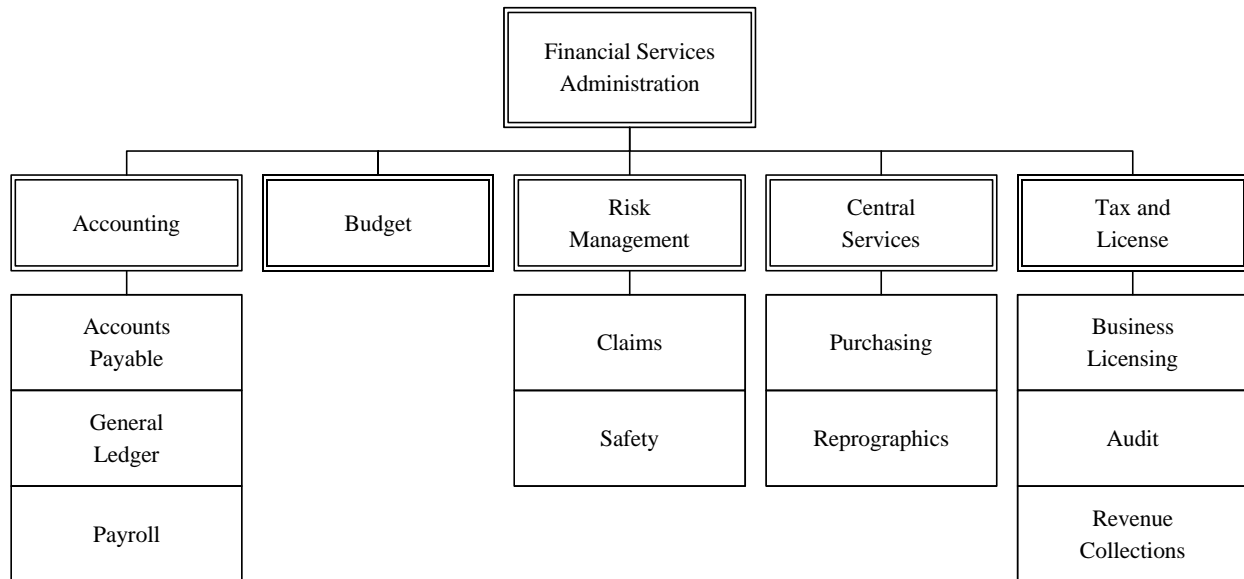
Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Attorney	22	0.5	0.62	24	0.5	0.62	24	0.5	0.62
City Attorney - Water	3			3			3		
<b>Total</b>	<b>25</b>	<b>0.5</b>	<b>0.62</b>	<b>27</b>	<b>0.5</b>	<b>0.62</b>	<b>27</b>	<b>0.5</b>	<b>0.62</b>



<b>Goal: To effectively and efficiently represent the City as a party in legal proceedings.</b> <b>Objective: To defend and resolve litigation in the City's best interest while managing caseload fluctuations.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Lawsuits:					
Pending civil lawsuits	41	60	65	65	65
Forfeiture actions	23	25	18	18	18
Tax hearings	9	16	10	10	10
Lawsuits filed by/against City	18	25	17	17	17
Percent change in caseload	-	38%	21%	0%	0%

<b>Goal: To effectively serve as legal counsel for the City and practice preventative law.</b> <b>Objective: 1) To provide legal expertise to cover all major legal issues of the City; issue quality legal research on written and verbal legal opinions; and 2) obtain 100% client rating.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Ordinances, resolutions and contracts reviewed/drafted	502	568	557	600	635
Written and verbal legal opinions	1,020	1,070	1,820	2,000	2,020
Percent of clients rating services as very good or good	-	-	100%	100%	100%

<b>Goal: To prosecute misdemeanors effectively and efficiently with an emphasis on serious crimes, and provide support and assistance to victims.</b> <b>Objective: 1) To obtain early resolution of criminal cases consistent with doing justice and speedy resolution of cases at arraignment by effectively managing cases per attorney; 2) increase emphasis on DUI cases; 3) decrease number of pretrials as exemplified by number of trials; and 4) increase resources for implementing victim's rights and ensure compliance with and information on victim's rights, as well as seeking restitution and emphasizing prosecution of crimes involving bodily injury.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Criminal, criminal traffic and DUI cases	13,171	11,507	10,450	11,500	11,500
Per attorney	2,195	1,918	1,493	1,643	1,643
DUI cases (included above)	1,539	1,548	1,353	1,500	1,500
Criminal traffic trials	124	88	70	80	80
Criminal trials (other than traffic)	124	100	131	140	140
Victim contacts	14,683	18,895	17,590	19,000	19,000
Percent of cases going to trial	-	1.6%	2.0%	2.0%	2.0%



The Financial Services Department is comprised of the divisions of Accounting, Budget, Risk Management, Central Services and Tax & License. The department's operational functions include all finance, accounting, budget, purchasing, reprographics, and business licensing responsibilities.

## 2001-03 Highlights:

In the first year of the biennium, funding was provided for the following positions: a full-time Financial Services (Purchasing) Clerk I to address the increased workload issues; a full-time Financial Applications Analyst to assist with the maintenance and implementation of new financial system technologies; a new full-time Reprographics Operator to run a new, complex mailing machine; and a temporary half-time Mail Clerk to weigh, meter and stack outgoing mail for daily postal pick-up. Further, two Tax Auditors were also added, one in each year of the biennium.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$3,184,591	\$3,422,521	\$3,266,003	\$3,797,107	\$4,142,104
Supplies and Services	1,508,248	1,481,463	1,668,740	1,685,650	1,748,396
Capital Outlay	5,270	0	0	27,795	2,275
Internal Services	(361,176)	(361,880)	(432,561)	(283,065)	(318,984)
<b>Expenditure Total</b>	<b>\$4,336,933</b>	<b>\$4,542,104</b>	<b>\$4,502,182</b>	<b>\$5,227,487</b>	<b>\$5,573,791</b>
<b>Per Capita</b>	<b>\$27.34</b>	<b>\$28.33</b>	<b>\$28.08</b>	<b>\$32.26</b>	<b>\$34.03</b>

Expenditures by Division	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Financial Services Administration	\$270,148	\$346,279	\$385,755	\$322,133	\$331,436
Accounting	919,048	858,925	877,381	1,143,509	1,168,212
Budget	206,731	245,948	175,223	243,913	274,685
Risk Management	689,471	770,132	828,254	903,368	977,230
Central Services	1,025,137	1,007,026	985,737	1,162,656	1,196,171
Tax and License	1,226,398	1,313,794	1,249,832	1,451,908	1,626,057
<b>Total</b>	<b>\$4,336,933</b>	<b>\$4,542,104</b>	<b>\$4,502,182</b>	<b>\$5,227,487</b>	<b>\$5,573,791</b>



Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Financial Services-Admin.	5			4			4		
Accounting	13		0.63	14		0.63	14		0.63
Budget	4			4			4		
Risk Management	4	0.5		4	0.5		4	0.5	
Central Services	12		0.62	14		0.62	14		0.62
Tax and License	18			18			19		
<b>Total</b>	<b>56</b>	<b>0.5</b>	<b>1.25</b>	<b>58</b>	<b>0.5</b>	<b>1.25</b>	<b>59</b>	<b>0.5</b>	<b>1.25</b>

Functions related to Financial Services include Administration, Accounting, Budget, Risk Management, Central Services, and Tax & License and provide the following services:

**Administration** is responsible for the overall management of the department;

**Accounting** services include payroll, accounts payable, special assessments, accounts receivable, and financial reporting;

**Budget** responsibilities include preparation of budget documents, a Comprehensive Financial Plan, revenue forecasting, capital improvements program, budget monitoring, forecasting, benchmarking, and special financial studies;

**Risk Management** functions include liability claims resolution, worker's compensation claims, and the employee safety program;

**Central Services** functions include purchasing, contract negotiations for goods and services, duplicating services, and mail delivery; and

**Tax and License** receives all City sales tax and licensing revenue and is responsible for issuing sales tax licenses and auditing license holders.

<b>Goal:</b> 1) To effectively perform accounts payable, payroll and other accounting functions for City departments; and 2) maintain adequate internal controls, adhere to generally accepted accounting principles, and ensure the safety of the City's investments. <b>Objective:</b> 1) To process accounts payable checks in a cost-effective manner; and 2) maintain the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Accounting</b>					
GFOA Certificate of Achievement	Yes	Yes	Yes	Yes	Yes
Compliance with State and Federal Reporting Requirements (941, W-2, 1099, etc.)	Yes	Yes	Yes	Yes	Yes
Investment Policy Compliance	Yes	Yes	Yes	Yes	Yes
Unqualified Audit Opinion	Yes	Yes	Yes	Yes	Yes
Maintain Effective System of Internal Controls	Yes	Yes	Yes	Yes	Yes





<b>Goal:</b> To ensure the long-term financial success of the City through sound financial management practices.					
<b>Objective:</b> To adhere to a financial management strategy that produces financial results that compare favorably with our peer cities as measured by generally accepted financial indicators.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
<i>Administration and Budget</i>					
Fund balance coverage	29%	25%	30%	25%	25%
Long-term debt per capita	\$713	\$719	\$737	\$751	\$775

<b>Goal:</b> To minimize the City's exposure to liability and worker's compensation claims through a proactive approach to risk management, loss prevention and employee safety education.					
<b>Objective:</b> To minimize the City's liability and worker's compensation claims paid as measured by claims per capita and claims per employee.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
<i>Risk Management</i>					
General and property liability claims	\$394,053	\$530,000	\$689,926	\$625,000	\$650,000
Worker's compensation claims	\$860,599	\$575,000	\$1,118,553	\$825,000	\$875,000
Cost of general and property liability claims per capita	\$2.48	\$3.31	\$4.30	\$3.86	\$3.97
Cost of general and property liability claims per 100 employees	\$22,219	\$28,726	\$36,784	\$32,221	\$33,372
Cost of worker's compensation claims per 100 employees	\$48,526	\$31,165	\$59,636	\$42,532	\$44,924

<b>Goal:</b> To procure low cost, quality goods and services for City departments, while ensuring that purchases are made in a timely and ethical manner.					
<b>Objective:</b> 1) To procure at least 25% of lower cost items through annual contracts; and 2) maintain compliance with the American Bar Association's Model Procurement Code.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
<i>Central Services</i>					
Conformity to American Bar Association Model Procurement Code	Conform	Conform	Conform	Conform	Conform
Lower cost purchases made through annual contracts	41%	40%	57%	40%	40%
Bid award recommendations accepted by City Council	100%	100%	100%	95%	95%
Maintain at least 80% customer department satisfaction*	-	-	-	80%	80%
Maintain an automated bidder registration program and Procurement Office webpage*	-	-	-	Maintained	Maintained
Maintain and monitor a city procurement card program	Maintained	Maintained	Maintained	Maintained	Maintained

*Comparative Benchmark*

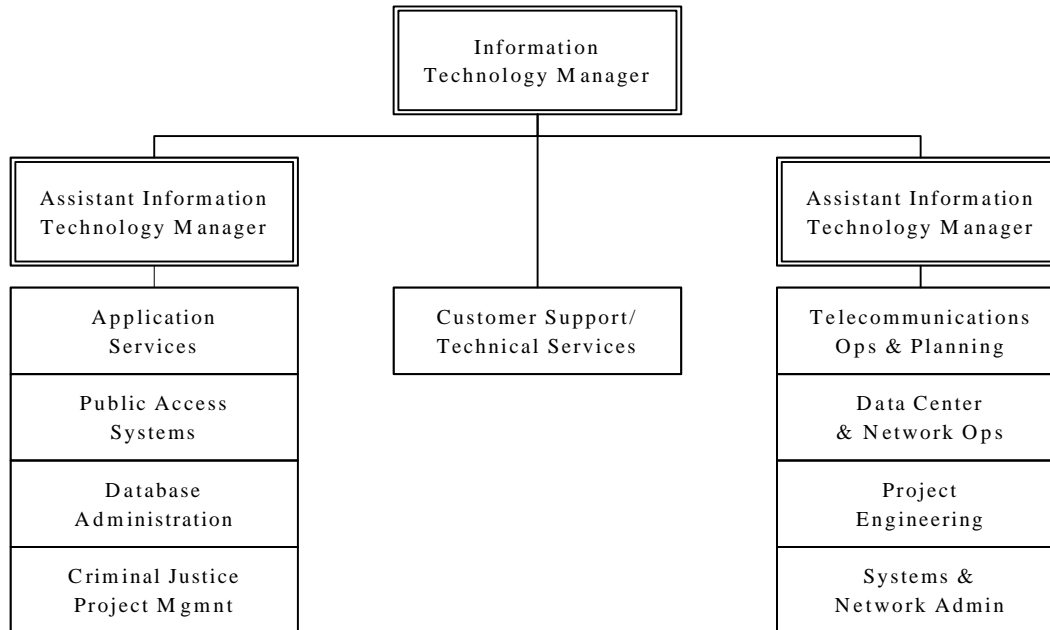
\* New Measure



**Goal:** To implement the city's tax ordinances by ensuring that all businesses and individuals subject to the tax ordinances pay taxes as prescribed.

**Objective:** 1) To maximize the productivity of the Tax and License staff as measured by taxable sales and accounts per employee; and 2) increase collections and assessments resulting from the division's audit activities, while reducing delinquency rates.

Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i><b>Tax and License</b></i>					
Taxable sales (\$)	5,269,802,000	5,445,000,000	5,445,000,000	5,690,025,000	5,946,076,000
Sales tax license holders (accounts)	12,000	12,300	12,862	12,900	12,950
Taxable sales per capita (\$)	32,772	33,526	33,508	34,908	36,367
Taxable sales per Tax and License employee (\$)	309,988,000	302,500,000	320,294,000	316,113,000	312,951,000
Accounts per Tax and License employee	706	683	757	717	682
Collections per Tax Auditor (\$)	309,311	250,000	433,333	99,714	69,246
Collections per Revenue Collector (\$)	824,458	992,500	700,000	550,000	575,000
Collections per License Inspector (\$)	481,936	691,000	330,000	300,000	270,000
Audit assessments (\$)	779,015	779,000	1,039,000	623,000	519,000
Percent of delinquent accounts to total active accounts	12.3%	12.2%	16.8%	14.0%	13.0%



The Information Technology Department is responsible for fostering a partnership with City Departments and optimizing the productivity of the office environment by empowering our employees with state-of-the-art tools and leveraging the City's investment in information technology. ITD provides services that include: shared resources, systems, software, and information processing.

#### 2001-03 Highlights:

The biennial budget includes funding for: three positions (Help Desk, PC Services Consultant, Administrative Assistant) to be converted from temporary to full-time status; a Senior Programmer Analyst (1 FT) to support information technology needs in the Public Works Department; and a video/ audio conferencing project.

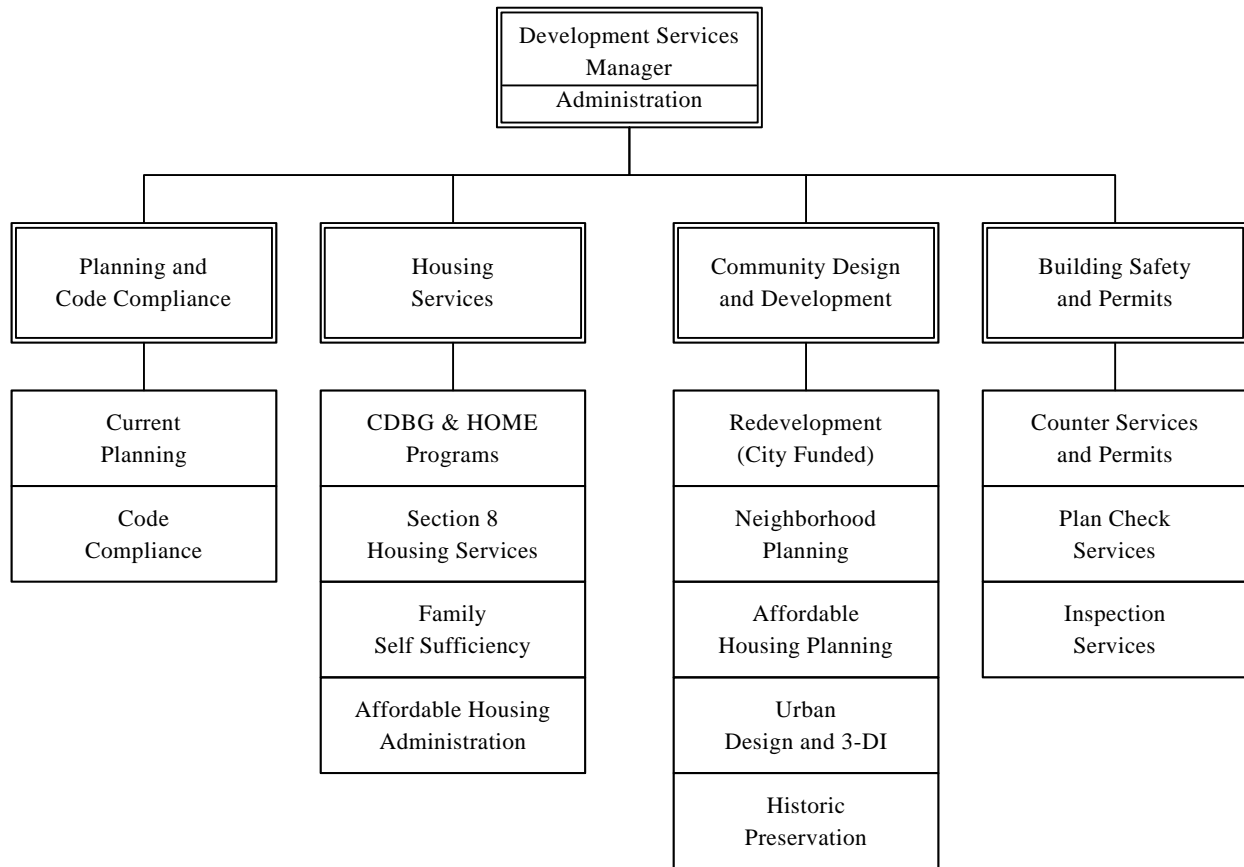
Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	4,590,837	5,156,302	5,228,670	6,250,155	6,660,978
Supplies and Services	5,099,943	5,255,534	5,245,701	5,805,483	6,001,288
Capital Outlay	849,857	877,188	976,388	883,690	755,810
Internal Services	(10,599,969)	(11,289,024)	(11,450,759)	(12,939,328)	(13,418,076)
<b>Expenditure Total</b>	<b>(\$59,313)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	7			7			7		
Application Services	31			32			32		
Customer Support	14			16			16		
Technical Services	15			15			15		
Telecommunications	10		0.49	12			12		
<b>Total</b>	<b>77</b>		<b>0.49</b>	<b>82</b>			<b>82</b>		



<b>Goal:</b> To provide low cost, high quality computing and telecommunications services to City departments.					
<b>Objective:</b> 1) To operate in a cost-effective manner as measured by cost per computer workstation; and 2) maximize staff productivity as measured by the ratio of computer-related staff to computer workstations and telecommunications staff to telephones.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal computer inventory	1,988	1,642	2,057	2,087	2,094
Percent change	-	(17.4%)	3.5%	1.5%	0.3%
Telephone inventory	2,313	2,346	3,205	3,430	3,670
Percent change	-	1.4%	38.6%	7.0%	7.0%
<i>Cost per computer and terminal workstation</i>	<i>\$3,926</i>	<i>\$5,172</i>	<i>\$4,217</i>	<i>\$4,806</i>	<i>\$5,052</i>

*Comparative Benchmark*



The Development Services Department is responsible for enhancing the quality of Tempe's living environment and its economic base. The major divisions include Planning & Code Compliance, Housing Services (Section 8, CDBG and HOME), Community Design & Development and Building Safety and Permits. Services provided are as follows: (1) current planning-Administrative support for Design Review, Board of Adjustment, Planning Commission, and City Council; (2) receive and investigate complaints of all alleged city code violations, and initiate action to abate violations; (3) recommend codes and ordinances, rules and regulations applicable to construction and property conservation; (4) check building plans and specifications of all proposed construction; (5) conduct on-site building inspections; (6) develop neighborhood plans; (7) provide affordable housing planning; (8) provide low interest housing rehabilitation loans for the elderly, persons with disabilities and low-income individuals and families; (9) provide rental assistance payments for the elderly, persons with disabilities and low-income individuals and families; (10) administer redevelopment and historic preservation programs; and (11) maintain statistical and demographic information for the City.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$4,850,336	\$5,478,192	\$5,501,845	\$6,925,432	\$7,420,219
Supplies and Services	6,726,616	7,317,946	7,454,109	7,291,633	7,241,640
Capital Outlay	307,849	25,600	2,550	58,705	40,000
Internal Services	806,157	809,657	828,600	943,439	1,015,859
Contributions	351,584	430,041	449,071	536,038	555,935
Contingencies	0	200,825	242,917	150,218	187,504
<b>Expenditure Total</b>	<b>\$13,042,542</b>	<b>\$14,262,261</b>	<b>\$14,479,092</b>	<b>\$15,905,465</b>	<b>\$16,461,157</b>
<b>Per Capita</b>	<b>\$82.22</b>	<b>\$88.95</b>	<b>\$90.30</b>	<b>\$98.14</b>	<b>\$100.50</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Development Services - Admin.	\$156,447	\$153,062	\$229,956	\$173,302	\$186,903
Planning & Code Compliance	2,300,814	2,498,745	2,322,380	2,618,688	2,786,585
Housing Services					
CDBG & HOME Grants	2,469,048	2,421,084	2,967,650	2,637,608	2,687,608
Section 8 Housing Grants	4,545,206	5,199,264	4,935,715	4,996,216	5,018,299
Community Design & Dev.	1,065,695	1,141,218	1,184,238	1,893,433	1,939,924
Building Safety & Permits	2,505,332	2,848,887	2,839,153	3,586,218	3,841,838
<b>Total</b>	<b>\$13,042,542</b>	<b>\$14,262,261</b>	<b>\$14,479,092</b>	<b>\$15,905,465</b>	<b>\$16,461,157</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Administration	1			2			2		
Planning & Code Compliance	35		2.86	30		1.86	30		1.86
Housing Services – CDBG & HOME	4			5			5		
Housing Services – Section 8	8			9			9		
Community Design & Development	8			17			17		
Building Safety & Permits	27		7.00	42	1		42	1	
<b>Total</b>	<b>83</b>		<b>9.86</b>	<b>105</b>	<b>1</b>	<b>1.86</b>	<b>105</b>	<b>1</b>	<b>1.86</b>



The Planning and Code Compliance Division is responsible for current planning, special projects, regulation of signs and code compliance. Services provided by this division are as follows;

(1) Current Planning that is responsible for administrative support for Design Review, Board of Adjustment, Planning Commission, and City Council; (2) Special Projects is responsible for Special Projects, Public Relations & Presentations; (3) Sign Permits and inspections; and (4) Code Compliance which is responsible for inspecting residential, commercial and industrial properties for compliance with zoning, city code, sign and landscape standards and obtain compliance when violations are observed.

### 2001-03 Highlights:

In the Planning and Code Compliance Division, funding was approved to convert 2.0 FTE temporary Code Compliance Inspector I/II positions to full-time status.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$1,940,197	\$2,114,372	\$2,100,111	\$2,220,596	\$2,369,214
Supplies and Services	151,593	187,245	147,802	161,025	163,092
Capital Outlay	5,482	25,600	1,100	2,000	2,000
Internal Services	320,010	280,590	259,323	298,266	309,182
Contributions	39,979	44,000	44,000	110,103	130,000
<b>Expenditure Total</b>	<b>\$2,457,261</b>	<b>\$2,651,807</b>	<b>\$2,552,336</b>	<b>\$2,791,990</b>	<b>\$2,973,488</b>
<b>Per Capita</b>	<b>\$15.49</b>	<b>\$16.54</b>	<b>\$15.92</b>	<b>\$17.23</b>	<b>\$18.15</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Development Services-Admin.	1			2			2		
Current Planning	21		1.86	16		1.86	16		1.86
Code Compliance	14		1.00	14			14		
<b>Total</b>	<b>36</b>		<b>2.86</b>	<b>32</b>		<b>1.86</b>	<b>32</b>		<b>1.86</b>



<b>Goal:</b> To ensure the resources necessary to continue to provide the high level of quality services our citizens deserve and expect. <b>Objective:</b> 1) To monitor and minimize O&M costs by accurately comparing number of staff and benchmarks; and 2) target a score of 4.5 on the Customer Service Score Card.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Planning</b>					
Total O&M costs	\$1,559,871	\$1,682,503	\$1,574,158	\$1,642,833	\$1,731,269
Planner FTE positions	8.0	8.0	9.0	9.0	9.0
Planning and zoning cases processed	1,200	1,200	1,100	1,100	1,100
Percent change	-	-	(8%)	-	-
Planning and zoning caseload per FTE	150	150	122	122	122
O&M per planning and zoning case	\$1,300	\$1,402	\$1,431	\$1,493	\$1,574
Customer service score card	4.5	4.5	4.5	4.5	4.5

<b>Goal:</b> To obtain compliance with City codes that relate to nuisances, property enhancements, rental housing and zoning ordinance requirements. <b>Objective:</b> 1) To respond to complaints and proactively pursue code violations within one day of receiving the complaint or observing the violation; and 2) resolve code issues within 20 days or less.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Code Enforcement</b>					
Total O&M costs	\$740,943	\$816,242	\$748,222	\$975,855	\$1,055,316
Total number of Code Inspectors	7	8	7	9	9
Code enforcement cases received	4,284	5,200	4,422	5,500	5,500
Code enforcement cases closed	4,166	5,200	4,615	5,500	5,500
O&M per code enforcement case	\$173	\$157	\$169	\$177	\$192
Cases closed per inspector per month	49	54	55	51	51
Cases per inspector per month	51	54	53	51	51



## Housing Services Division (Section 8, CDBG & HOME)



The Housing Services Division provides the following services: (1) rehabilitation of structures with low-interest loans; (2) Section 8 rental assistance for elderly, persons with disabilities and low-income individuals and families; (3) Community Development Block Grant (CDBG) and Home Occupancy Made Easier (HOME) program administration; (4) Family Self-Sufficiency Programs; (5) Fair Housing activities; and (6) Social Services funding through CDBG and HOME programs. Also included in this division is general funds for matching dollars for the HOME Programs and first-time homebuyer's program. General funds are also used for low interest rehabilitation loans for qualified applicants in the 81-120% income range.

### 2001-03 Highlights:

Approved supplemental funding (CIP) of 1.0 City-funded Redevelopment Specialist position for administration and casework associated with the city-funded affordable housing programs and CDBG and HOME funded rehabilitation loan programs. In addition, approved 1.0 federally-funded Housing Specialist position to aid the administration of the Section 8 Housing Program.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$677,402	\$838,699	\$836,627	\$825,079	\$897,802
Supplies and Services	5,868,656	6,313,805	6,465,463	6,331,270	6,292,161
Capital Outlay	300,575	0	0	0	0
Internal Services	1,874	0	72,308	31,007	32,190
Contributions	165,747	267,020	286,050	296,250	296,250
Contingencies	0	200,825	242,917	150,218	187,504
<b>Expenditure Total</b>	<b>\$7,014,254</b>	<b>\$7,620,349</b>	<b>\$7,903,365</b>	<b>\$7,633,824</b>	<b>\$7,705,907</b>
<b>Per Capita</b>	<b>\$44.22</b>	<b>\$47.53</b>	<b>\$49.29</b>	<b>\$47.10</b>	<b>\$47.05</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Community Development Block Grant	4			4			4		
City Funded Development (General Fund)				1			1		
Section 8 Housing	8			9			9		
<b>Total</b>	<b>12</b>			<b>14</b>			<b>14</b>		



**Goal:** To preserve the City's neighborhoods and standard housing stock by providing housing assistance to low income people in Tempe, at standards required by the U.S. Department of Housing and Urban Development.

**Objective:** To increase the number of houses rehabilitated using federal Community Development Block Grant and HOME program funding, while maximizing staff productivity and controlling administrative costs.

Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Single family houses rehabilitated:					
Community Development Block Grant	50	50	50	60	60
HOME (Home Occupancy Made Easier) Program Funds	40	40	20	20	20
Households assisted per FTE staff -CDBG	16.7	16.7	15.0	15.0	15.0
O&M expenditures per household assisted - CDBG	\$49,381	\$48,422	\$59,353	\$43,960	\$44,793
First-time Homebuyer Program (CAMP) General Fund*	-	-	-	30	30
Households Assisted per FTE*	-	-	-	15	15

**Goal:** To provide decent, safe and sanitary housing for the City's low and moderate income citizens.

**Objective:** To provide rental subsidies and family self-sufficiency guidance to low income people living in private rental housing within Tempe.

Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Households receiving rental subsidies	925	925	925	987	1,022
Housing certifications/inspections provided	1,300	1,300	1,300	-	-
Certifications	-	-	-	350	400
Inspections	-	-	-	1,000	1,000
Households assisted per FTE staff - Section 8	77.1	77.1	77.1	109.7	113.6
O&M expenditures per household assisted - Section 8	\$4,914	\$5,621	\$5,336	\$5,062	\$4,910

\* New measure



The Community Design and Development Division is responsible for neighborhood planning, redevelopment, affordable housing planning, urban design & 3D imaging, historic preservation, statistics & demographics and major development project management for the City.

**2001-03 Highlights:**

In the Community Design and Development Division funding was approved to convert 1.0 FTE temporary Planner I/II position to regular status; create 2.0 Planning Tech. I/II positions; and create 2.0 Principal Planner positions to lead the redevelopment and neighborhood planning programs. In addition, \$89,000 was approved to fund the Division's ongoing neighborhood block talk program and neighborhood planning meetings.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$420,398	\$489,674	\$539,887	\$1,087,666	\$1,163,328
Supplies and Services	448,499	482,236	458,516	529,514	513,211
Capital Outlay	1,114	0	1,450	54,205	38,000
Internal Services	49,826	50,287	65,364	92,363	95,700
Contributions	145,858	119,021	119,021	129,685	129,685
<b>Expenditure Total</b>	<b>\$1,065,695</b>	<b>\$1,141,218</b>	<b>\$1,184,238</b>	<b>\$1,893,433</b>	<b>\$1,939,924</b>
<b>Per Capita</b>	<b>\$6.72</b>	<b>\$7.12</b>	<b>\$7.39</b>	<b>\$11.68</b>	<b>\$11.84</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Redevelopment & Administration	4			6			6		
Neighborhood Planning	2			7			7		
Urban Design	2			4			4		
<b>Total</b>	<b>8</b>			<b>17</b>			<b>17</b>		

<b>Goal:</b>	<b>To ensure the resources necessary to continue to provide the high level of planning, design and development services our citizens deserve and expect.</b>				
<b>Objective:</b>	<b>To monitor and minimize operating and maintenance (O&amp;M) costs associated with the delivery of the Division's services.</b>				
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
O&M costs	\$1,065,695	\$1,141,218	\$1,184,238	\$1,893,433	\$1,939,924
Planner FTE position	7	6	6	15	15
Neighborhood Planning Meetings held*	-	-	-	110	110

\*New Measure



The Building Safety & Permits Division is responsible for enforcing City code pertaining to building, plumbing, electrical and mechanical installations, use, occupancy and location requirements. Services provided by this division are as follows: (1) recommended codes and ordinances, rules and regulations applicable to construction and property conservation; (2) check plans, specifications and calculations of all proposed construction, including alterations and additions for compliance with building code, ADA, and planning requirements prior to issuance of building permits; (3) conduct on-site inspections of new construction, alterations, additions, mobile home installations for compliance with all applicable code requirements; (4) receive and investigate complaints of all alleged building violations, and initiate action to abate violations; and (5) issue building, electrical, mechanical, plumbing, engineering, and fire permits related to private development.

### 2001-03 Highlights:

In the Building Safety & Permits Division, funding was authorized in the biennial budget to include: 1) 4 temporary Building Inspector positions converted to full-time positions; 1 FTE benefited permanent Building Inspector position and \$40,000 of contracted building inspection services to manage the inspection workload; 2) 4 temporary DS Specialists I/II positions converted to full-time positions and 2 temporary Administrative Assistant I positions converted to full-time for the Development Services Center front counter workload; 3) \$130,000 each year for contract plan review services; 4) 1 full-time ADA Plan Check Engineer to provide for accessibility plan checks; 5) increased funding for building safety ISO training by \$40,000; and 6) 1 temporary Planning Tech I/II-Plan Check position converted to full-time.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,812,339	\$2,035,447	\$2,025,220	\$2,792,091	\$2,989,875
Supplies and Services	257,868	334,660	382,328	269,824	273,176
Capital Outlay	678	0	0	2,500	0
Internal Services	434,447	478,780	431,605	521,803	578,787
<b>Expenditure Total</b>	<b>\$2,505,332</b>	<b>\$2,848,887</b>	<b>\$2,839,153</b>	<b>\$3,586,218</b>	<b>\$3,841,838</b>
<b>Per Capita</b>	<b>\$15.79</b>	<b>\$17.77</b>	<b>\$17.71</b>	<b>\$22.13</b>	<b>\$23.46</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Building Safety	27		7	42	1		42	1	
<b>Total</b>	<b>27</b>		<b>7</b>	<b>42</b>	<b>1</b>		<b>42</b>	<b>1</b>	

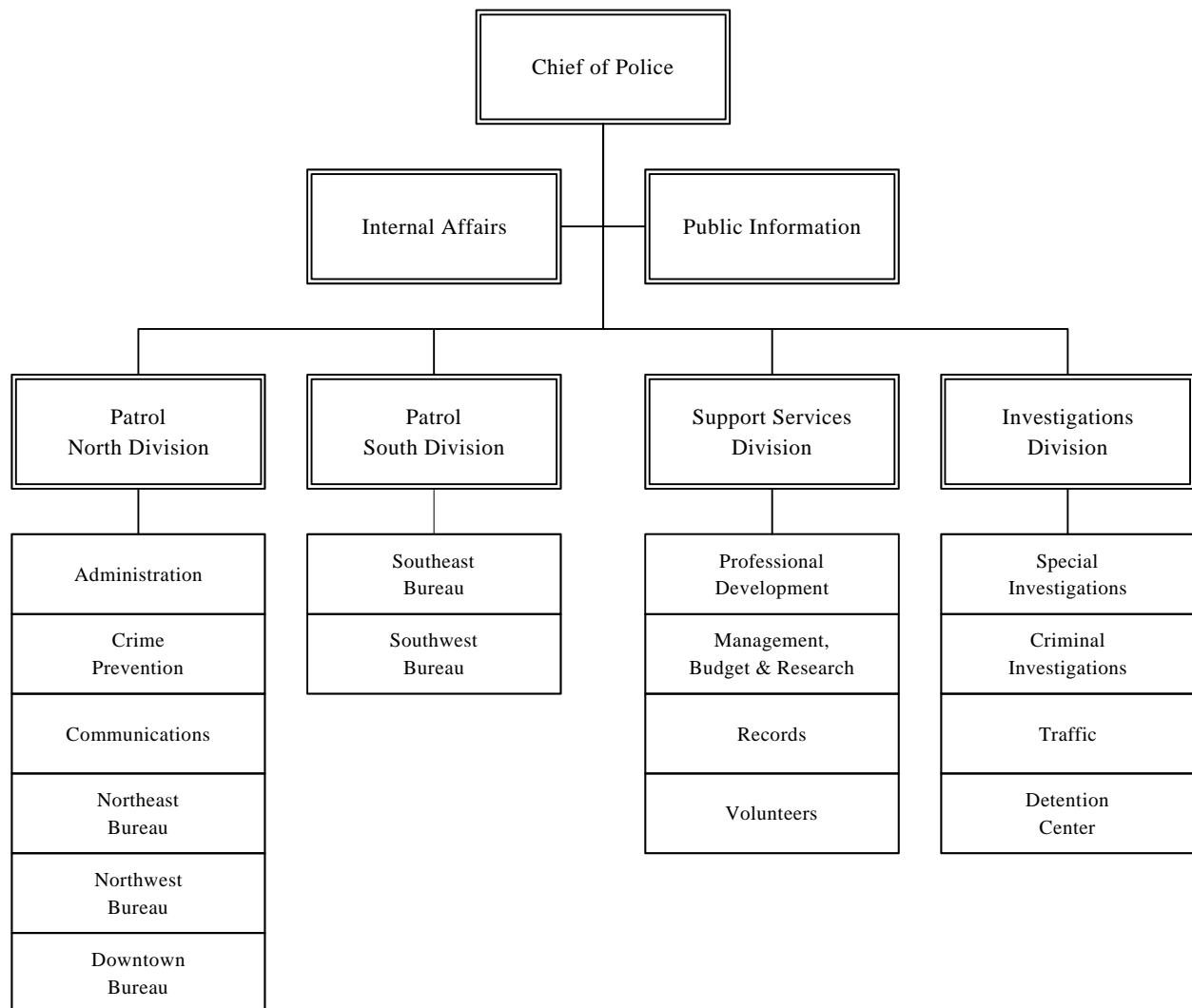


<b>Goal:</b> To verify through formal plan check and permit processes that plans, specs, and engineering calculations meet minimum requirements for adopted building codes, ADA, and planning & zoning ordinances.					
<b>Objective:</b> To provide thorough, accurate, objective plan check services for all applicants within the following standard timeframes: new commercial building 15 days; new residential construction 8 days.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Plan Check</b>					
Total O&M	\$1,045,186	\$1,089,007	\$1,129,345	\$1,179,385	\$1,220,266
Total number of Plan Checkers	9.0	9.0	12.0	12.0	12.0
Building plans submitted	2,078	2,000	1,963	2,000	2,000
O&M per plan check	\$503	\$545	\$575	\$590	\$610
Plans checked per month (weighted)	191	167	158	167	167
Number of Building Permits Issued	1,717	1,500	1,417	1,650	1,700
<i>O&amp;M per Building Permit</i>	<i>\$609</i>	<i>\$726</i>	<i>\$797</i>	<i>\$715</i>	<i>\$718</i>
Average plan review time (days):					
<i>New commercial building</i>	<i>15</i>	<i>15</i>	<i>15</i>	<i>15</i>	<i>15</i>
<i>New residential construction</i>	<i>8</i>	<i>8</i>	<i>8</i>	<i>8</i>	<i>8</i>

<b>Goal:</b> To perform on-site inspections of commercial and residential buildings, and to inspect damaged buildings for compliance.					
<b>Objective:</b> To consistently perform at least 33 inspections per inspector per day on a sustained basis without reducing the level of service or quality of inspections.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Building Inspection</b>					
Total O&M	\$1,092,620	\$1,133,935	\$1,052,438	\$1,482,366	\$1,596,175
Total number of Building Inspectors	14.0	14.0	14.0	14.0	14.0
Number of inspections performed	69,200	94,200	62,000	70,000	70,000
O&M per inspection	\$16	\$12	\$17	\$21	\$23
Inspections per inspector per day	32.0	38.8	34.3	33.0	33.0

*Comparative Benchmark*





The Police Department consists of Office of the Chief, Patrol, Support Services, and Investigations. The department's responsibilities include effective and efficient police protection through investigations of criminal offenses, reinforcement of state laws and City ordinances, response to citizen requests for services, and maintenance of support services.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$27,874,184	\$31,514,371	\$30,614,866	\$34,493,576	\$36,689,821
Supplies and Services	2,317,844	2,678,567	2,678,473	2,779,176	2,854,911
Capital Outlay	313,395	31,307	42,977	122,794	0
Internal Services	5,743,342	5,898,204	5,270,683	6,455,930	6,486,425
<b>Expenditure Total</b>	<b>\$36,248,765</b>	<b>\$40,122,449</b>	<b>\$38,606,999</b>	<b>\$43,851,476</b>	<b>\$46,031,157</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Office of the Chief	\$3,014,742	\$4,277,689	\$3,560,820	\$3,268,330	\$3,408,696
Patrol	16,522,872	17,365,335	16,183,058	17,930,523	18,668,347
Support Services	6,404,800	6,703,764	7,301,023	8,845,394	9,292,946
Investigations	10,306,351	11,775,661	11,562,098	13,807,229	14,661,168
<b>Total</b>	<b>\$36,248,765</b>	<b>\$40,122,449</b>	<b>\$38,606,999</b>	<b>\$43,851,476</b>	<b>\$46,031,157</b>
<b>Per Capita</b>	<b>\$228.52</b>	<b>\$250.24</b>	<b>\$240.79</b>	<b>\$270.58</b>	<b>\$281.03</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Office of the Chief	12			12			12		
Patrol	201	1.00	3.29	199	1.0	3.29	199	1.0	3.29
Support Services	130		.70	134		.70	135		.70
Investigations	151		1.26	161		1.26	161		1.26
<b>Total</b>	<b>494</b>	<b>1.00</b>	<b>6.25</b>	<b>506</b>	<b>1.00</b>	<b>6.25</b>	<b>507</b>	<b>1.00</b>	<b>6.25</b>
Sworn	328			337			337		
Non-Sworn	<u>166</u>			<u>169</u>			<u>170</u>		
<b>Total</b>	<b><u>494</u></b>			<b><u>506</u></b>			<b><u>507</u></b>		





The Police Chief is responsible for the administration and general supervision of all police operations. This office also is charged with the coordination of all investigations and procedures. Services provided by this division are as follows: (1) provide leadership, management and administration for the Police Department; (2) conduct planning and research studies; (3) administer departmental operating and capital improvement budgets; (4) administer, review, and revise departmental policies and procedures; (5) coordinate the selection and retention of employees; and (6) store and retrieve departmental criminal justice information.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$1,128,002	\$1,694,971	\$1,245,283	\$1,010,771	\$1,059,000
Supplies and Services	1,064,326	1,281,890	1,320,823	1,313,902	1,382,176
Capital Outlay	45,784	0	0	0	0
Internal Services	776,630	1,300,828	994,714	943,657	967,520
<b>Expenditure Total</b>	<b>\$3,014,742</b>	<b>\$4,277,689</b>	<b>\$3,560,820</b>	<b>\$3,268,330</b>	<b>3,408,696</b>
<b>Per Capita</b>	<b>\$19.01</b>	<b>\$26.68</b>	<b>\$22.21</b>	<b>\$20.17</b>	<b>\$20.81</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Office of the Chief	12			12			12		
<b>Total</b>	<b>12</b>			<b>12</b>			<b>12</b>		



**Goal:** To uphold and enforce the laws of the State and City through professional law enforcement, and maintain the department's awareness of how the public perceives the department.

**Objective:** 1) To maintain or improve clearance rate of Part 1 crimes; 2) maintain at a minimum of 90% the level of citizens' satisfaction with police services as measured by the annual citizen survey; and 3) efficiently manage resources to meet the needs of citizens with 2.0 sworn full-time equivalents (FTE) per capita.

Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Part 1 Crimes-Property	13,825	14,719	14,706	14,706	14,706
Clearance Rate	15.3%	13.7%	18.7%	18.7%	18.7%
Percent change	-	(10.5%)	(22.2%)	0.0%	0.0%
Part 1 Crimes-Persons	955	906	955	955	955
Clearance Rate	36.1%	37.0%	52.6%	52.6%	52.6%
Percent change	-	2.5%	45.7%	0.0%	0.0%
<i>Part I Crime Per 1,000 Capita</i>	93	97	98	97	96
Citizen satisfaction	88	90	90	90	90
<i>O&amp;M Cost Per Capita</i>	\$228.52	\$250.24	\$240.79	\$270.58	\$281.03
<i>Sworn FTE's per Capita (1,000)</i>	1.99	2.05	2.05	2.08	2.06
Percent change	-	3.0%	3.0%	1.6%	(1.1%)
<i>Non-Sworn FTE's per Capita (1,000)</i>	1.04	1.04	1.04	1.04	1.04

*Comparative Benchmark*



The Police Patrol unit consists of officers who work in one man patrol cars and respond to citizen requests for service, either traffic, personal or business-related matters. Services provided by this division are as follows: (1) to respond to requests for service; (2) to answer all incoming calls and provide 24 hour dispatch service; (3) to conduct vehicle patrol to prevent and deter crime; (4) to provide police reserves for special or unscheduled events that require additional manpower; (5) to provide radio communications between the police base station and all patrol field units; (6) to provide jail and booking service and transport all prisoners to the City Court; (7) provide in-service training programs; and (8) provide a Crime Prevention Program and effective access to the news media.

**2001-03 Highlights:**

In the biennial budget supplemental funding was authorized for two Police Officers; one for crime prevention and another for Arizona Mills mall patrol.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$14,320,691	\$15,519,864	\$13,741,999	\$14,908,497	\$15,465,534
Supplies and Services	373,520	375,536	257,599	259,478	263,518
Capital Outlay	93,687	15,917	8,246	0	0
Internal Services	1,734,974	1,454,018	2,175,214	2,762,548	2,939,295
<b>Expenditure Total</b>	<b>\$16,522,872</b>	<b>\$17,365,335</b>	<b>\$16,183,058</b>	<b>\$17,930,523</b>	<b>\$18,668,347</b>
<b>Per Capita</b>	<b>\$104.16</b>	<b>\$108.30</b>	<b>\$100.93</b>	<b>\$110.64</b>	<b>\$113.98</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Patrol	201	1.0	3.29	199	1.0	3.29	199	1.0	3.29
<b>Total</b>	<b>201</b>	<b>1.0</b>	<b>3.29</b>	<b>199</b>	<b>1.0</b>	<b>3.29</b>	<b>199</b>	<b>1.0</b>	<b>3.29</b>



<b>Goal:</b> To effectively answer "911" requests for Police, Fire, and emergency medical calls, and to provide proactive neighborhood programs.					
<b>Objective:</b> 1) To respond to all citizen calls for police services; respond to accident emergency calls within an average 5:30 minutes; 2) and maintain or increase neighborhoods participating in the Crime Watch Program.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
"911" calls answered	119,889	124,600	130,995	136,142	141,492
Percent change	-	3.9%	9.3%	3.9%	3.9%
<i>Citizen calls for police service</i>	<i>131,888</i>	<i>125,000</i>	<i>144,905</i>	<i>147,000</i>	<i>141,492</i>
Percent change	-	(5.2%)	9.3%	2.2%	2.2%
<i>Average response time to emergency calls (minutes)</i>	<i>5:46</i>	<i>5:48</i>	<i>5:30</i>	<i>5:30</i>	<i>5:30</i>
Operating expenses per citizen calls	\$125.28	\$138.92	\$112.31	\$121.98	\$124.48
Neighborhoods with Crime Watch Program	300	320	300	300	300

*Comparative Benchmark*

## Support Services



The Support Services Division is comprised of Personnel Services, Communications, Records, Operations Support, Public Information, and Volunteers in Policing. Support Services is responsible for providing comprehensive support services to the entire Police Department. Services provided by this division are as follows: (1) to answer all incoming calls and provide 24-hour dispatch service; (2) to provide radio communications between the police station and all patrol field units; (3) to provide full service police records management services; (4) to respond to media requests for information; (5) to recruit, test, and hire sworn police officers and civilian personnel; (6) to provide in-service training programs; (7) to investigate internal complaints and liaison with the Tempe Citizens' Panel for Review of Police Complaints and Use of Force; (8) to provide jail and booking service and transport all prisoners to the City Court; (9) to update and implement organizational policy and procedure; (10) to process and maintain all impounded property; and (11) to provide crime scene photography and evidence collection services.

### 2001-03 Highlights:

In the biennial budget, supplemental funding was authorized for three non-recurring positions to be funded as recurring. These positions are for policies and procedures analysis, polygraph examining, and training support functions. Additionally, a Range Officer (1 FT) was authorized to facilitate police officer firearm training.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$5,247,142	\$5,734,266	\$6,223,315	\$7,515,259	\$8,058,992
Supplies and Services	390,903	330,896	372,184	417,797	407,207
Capital Outlay	108,459	8,200	9,090	0	0
Internal Services	658,296	630,402	696,434	912,338	826,747
<b>Expenditure Total</b>	<b>\$6,404,800</b>	<b>\$6,703,764</b>	<b>\$7,301,023</b>	<b>\$8,845,394</b>	<b>\$9,292,946</b>
<b>Per Capita</b>	<b>\$40.38</b>	<b>\$41.81</b>	<b>\$45.54</b>	<b>\$54.58</b>	<b>\$56.74</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	130		.70	134		.70	135		.70
<b>Total</b>	<b>130</b>		<b>.70</b>	<b>134</b>		<b>.70</b>	<b>135</b>		<b>.70</b>



The Investigations unit is comprised of Criminal Investigations, Special Investigations, and Traffic Investigations. The officers investigate felony, misdemeanor, and juvenile cases, and also testify in all levels of courts, if necessary. Services provided by this division are as follows: (1) investigate and report incidents of crime; (2) investigate and report motor vehicle accidents; (3) investigate and clear Part 1 crimes against persons and property; (4) investigate and prevent traffic accidents; (5) develop selective enforcement programs against special or increasing crime problems; (6) store and retrieve departmental criminal justice information; and (7) provide Field ID with the latest print and film service.

### 2001-03 Highlights:

In the biennial budget supplemental funding was authorized for: a Forensic Computer Investigator (1 FT) to address the need for investigation of cybercrime; a Selective Enforcement Unit (4 FT) to respond to citizens requests for neighborhood traffic enforcement, which will become operational in FY 2002; and an Explosive Ordinance Disposal Detective (1 FT) to help handle the increased calls for service and related EOD responsibilities.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$7,178,349	\$8,565,270	\$9,404,269	\$11,059,049	\$12,106,295
Supplies and Services	489,095	690,245	727,867	787,999	802,010
Capital Outlay	65,465	7,190	25,641	122,794	0
Internal Services	2,573,442	2,512,956	1,404,321	1,837,387	1,752,863
<b>Expenditure Total</b>	<b>\$10,306,351</b>	<b>\$11,775,661</b>	<b>\$11,562,098</b>	<b>\$13,807,229</b>	<b>\$14,661,168</b>
<b>Per Capita</b>	<b>\$64.97</b>	<b>\$73.44</b>	<b>\$72.11</b>	<b>\$85.20</b>	<b>\$89.51</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Investigations	151		1.26	161		1.26	161		1.26
<b>Total</b>	<b>151</b>		<b>1.26</b>	<b>161</b>		<b>1.26</b>	<b>161</b>		<b>1.26</b>

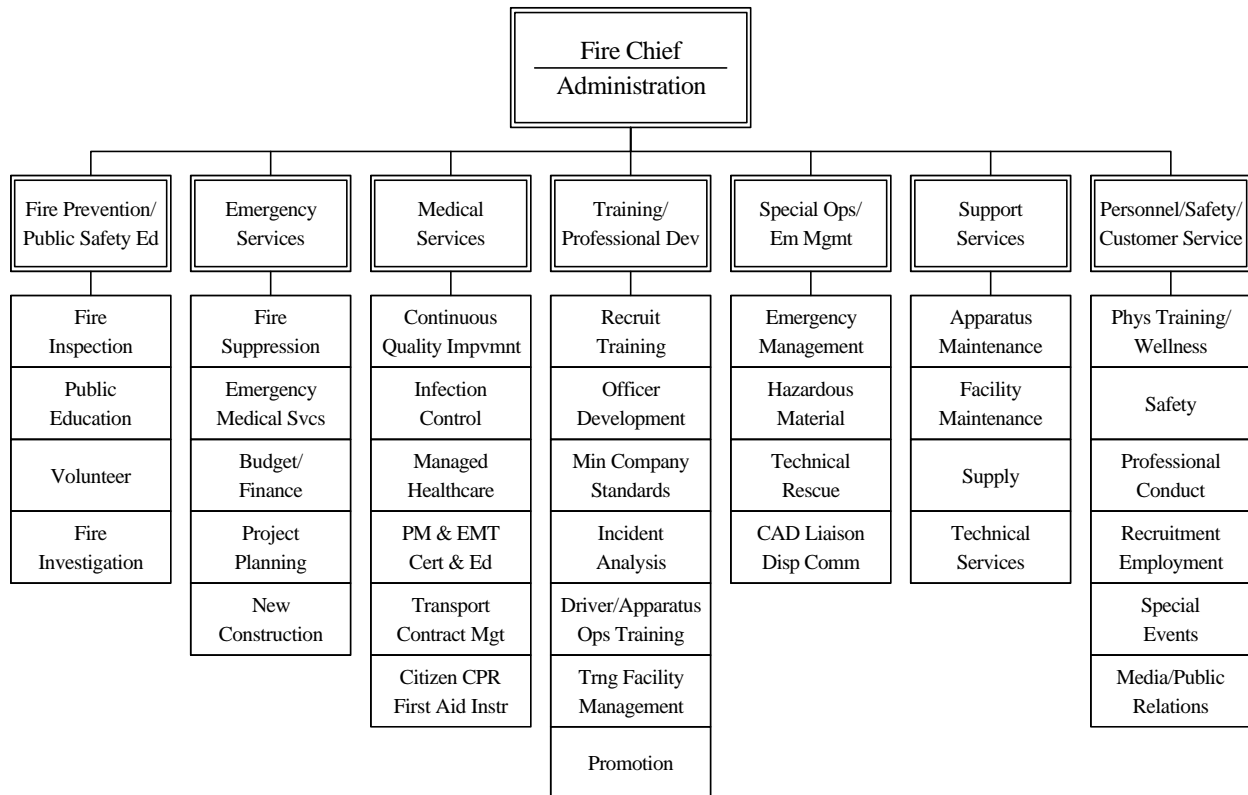


<b>Goal: To investigate and clear cases assigned to the Criminal Investigations Division.</b>					
<b>Objective: To effectively manage property caseload per investigator.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Property cases assigned	1,857	2,745	1,662	1,662	1,662
Cases per investigator	155	211	128	128	128
Percent change	-	36.0%	(17.5%)	0.0%	0.0%

<b>Goal: To investigate and clear cases assigned to the Criminal Investigations Division.</b>					
<b>Objective: To effectively manage persons caseload per investigator.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Persons cases assigned	2,917	2,250	2,937	2,937	2,937
Cases per investigator	122	106	113	113	113
Percent change	-	(13.1%)	(8.2%)	0.0%	0.0%







The Fire Department consists of Administration and Fire Prevention, Emergency and Medical Services, Training and Professional Development, Special Operations, Support Services, and Personnel Safety Divisions.

The Department's operational areas include administrative services, fire suppression, emergency management, emergency medical services, hazardous materials control, technical rescue, communications, equipment and facilities maintenance, training, fire prevention and inspection, and public safety education.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$10,499,766	\$11,186,080	\$10,965,804	\$12,039,325	\$12,727,179
Supplies and Services	1,003,688	802,845	934,860	991,005	1,103,907
Capital Outlay	212,587	549,864	558,498	642,125	675,190
Internal Services	899,721	740,091	706,744	1,168,958	1,170,731
Contributions	12,414	12,600	13,801	13,000	13,000
<b>Expenditure Total</b>	<b>\$12,628,176</b>	<b>\$13,291,480</b>	<b>\$13,179,707</b>	<b>\$14,854,413</b>	<b>\$15,690,007</b>
<b>Per Capita</b>	<b>\$79.61</b>	<b>\$82.90</b>	<b>\$82.20</b>	<b>\$91.66</b>	<b>\$95.79</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Administration and Fire Prevention	\$1,988,062	\$2,011,058	\$2,007,567	\$2,559,712	\$2,721,087
Emergency and Medical Services	9,165,405	9,651,562	9,464,695	10,322,716	10,897,469
Training and Professional Development	279,028	289,977	326,248	315,834	330,813
Special Operations	148,982	145,185	153,446	155,734	227,091
Support Services and Personnel Safety	1,046,699	1,193,698	1,227,751	1,500,417	1,513,547
<b>Total</b>	<b>\$12,628,176</b>	<b>\$13,291,480</b>	<b>\$13,179,707</b>	<b>\$14,854,413</b>	<b>\$15,690,007</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Administration and Fire Prevention	19			19			19		
Emergency and Medical Services	129			129			129		
Training and Professional Development	3			3			3		
Special Operations	1			1			1		
Support Services and Personnel Safety	6	.50		6	.50		6	.50	
<b>Total</b>	<b>158</b>	<b>.50</b>		<b>158</b>	<b>.50</b>		<b>158</b>	<b>.50</b>	

## Administration and Fire Prevention



Administration is responsible for general policy and direction of the department, as delineated in the Six Year Strategic Plan and Operational Guide, by providing management and leadership for the operating divisions within the Fire Department. Development and administration of the budget, recruitment, member safety and wellness program management are also basic responsibilities of Administration.

The basic responsibility of the Fire Prevention Division is the prevention of fires through inspection and code enforcement, public safety education, and the investigation of fires. Services include: (1) inspection of commercial properties, hospitals, nursing homes, child care facilities, and vacant building and land parcels; (2) response to citizen fire hazard complaints; (3) approval of plans for and inspections of new construction; (4) determination of cause and origin of fires; (5) investigation of false alarms; and (6) public safety education programs.

### 2001-03 Highlights:

The biennial budget includes additional funding for federally mandated training and increased appropriations associated with the recruitment and testing of applicants.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,238,701	\$1,366,352	\$1,380,029	\$1,524,220	\$1,627,914
Supplies and Services	117,215	112,753	155,047	193,785	213,137
Capital Outlay	1,463	24,000	31,176	0	0
Internal Services	630,683	507,953	441,315	841,707	880,036
<b>Expenditure Total</b>	<b>\$1,988,062</b>	<b>\$2,011,058</b>	<b>\$2,007,567</b>	<b>\$2,559,712</b>	<b>\$2,721,087</b>
<i>Per Capita</i>	<i>\$12.53</i>	<i>\$12.54</i>	<i>\$12.52</i>	<i>\$15.79</i>	<i>\$16.61</i>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	8			8			8		
Fire Prevention	11			11			11		
<b>Total</b>	<b>19</b>			<b>19</b>			<b>19</b>		

<b>Goal: To provide high quality cost efficient fire services.</b>					
<b>Objective: To efficiently manage resources to meet the needs of citizens with 7.7 sworn full-time equivalents (FTE) per capita and .15 fire stations per square mile.</b>					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Department cost per fire employee	\$80,434	\$84,659	\$83,416	\$94,015	\$99,304
<i>Firefighters per capita (10,000)</i>	<i>7.9</i>	<i>7.9</i>	<i>7.9</i>	<i>7.8</i>	<i>7.7</i>
<i>Non-Firefighters per capita (10,000)</i>	<i>1.8</i>	<i>2.0</i>	<i>2.0</i>	<i>2.0</i>	<i>2.0</i>
Companies per capita (10,000)	0.57	0.56	0.56	0.56	0.55
Fire Stations per capita (10,000)/square mile	.32/.13	.37/.15	.37/.15	.37/.15	.36/.15
Insurance Services Office (ISO) rating	2	2	2	2	2
Operating Expenditures per \$100,000 of property protected	\$1,091	\$1,148	\$1,139	\$1,284	\$1,356
Percent Change	-	5%	4%	13%	6%

*Comparative Benchmark*

## Emergency and Medical Services



The basic responsibility of Emergency Services is to deliver rapid effective service when fire, medical and other hazardous emergencies occur. These services are extended through the use of seven engine companies and two ladder trucks located at six fire stations throughout the City. Services provided by this division are as follows: (1) respond to and extinguish fires, prevent fires in cases of fuel spills and electrical malfunctions, and deliver effective medical and rescue services; (2) deliver emergency medical training and paramedic level medical services for injuries, illnesses, and accidents; (3) respond to and control hazardous materials emergencies; (4) conduct company fire prevention inspections; and (5) provide technical rescue services.

### 2001-03 Highlights:

The biennial budget includes funding for emergency related equipment such as thermal imaging cameras, nitronox field units, heart monitors, and hydraulic rescue tools.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$8,621,555	\$9,166,790	\$8,937,029	\$9,785,691	\$10,325,287
Supplies and Services	505,489	343,118	419,074	407,000	447,357
Capital Outlay	38,421	107,134	108,592	130,025	124,825
Internal Services	(60)	34,520	0	0	0
<b>Expenditure Total</b>	<b>\$9,165,405</b>	<b>\$9,651,562</b>	<b>\$9,464,695</b>	<b>\$10,322,716</b>	<b>\$10,897,469</b>
<b>Per Capita</b>	<b>\$57.78</b>	<b>\$60.20</b>	<b>\$59.03</b>	<b>\$63.69</b>	<b>\$66.53</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Emergency Services	126			126			126		
Medical Services	3			3			3		
<b>Total</b>	<b>129</b>			<b>129</b>			<b>129</b>		



<b>Goal: To provide efficient response to fire, medical, hazardous materials, and rescue emergencies.</b>					
<b>Objective: 1) To reduce safe emergency responses by an average of five seconds; and 2) maintain a 99% or better citizen satisfaction with fire and paramedic services.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Responses to fire alarms	2,126	2,251	2,300	2,370	2,440
Responses to emergency medical incidents	10,611	11,458	12,600	13,700	14,900
Responses to special operations incidents	72	84	85	90	95
Responses to other emergency services	1,205	1,511	1,750	1,780	1,810
<i>Average emergency response time in minutes (from call receipt to arrival)*</i>	<i>4:16*</i>	<i>4:17*</i>	<i>5:12</i>	<i>5:00</i>	<i>5:00</i>
% of emergency responses taking 5.0 minutes or less **	-	-	75%	75%	75%
<i>Calls per capita (1,000)</i>	<i>88</i>	<i>95</i>	<i>104</i>	<i>111</i>	<i>117</i>
Percent change	-	8%	17%	6%	6%
Citizen satisfaction	96%	96%	99%	99%	99%

*Comparative Benchmark*

\*Calls do not include processing time

\*\* New measure

## Training/Professional Development



Training/Professional Development includes all categories of departmental training including recruits, officer development, driver training, and minimum company standards. Incident analysis is another method used to improve the quality of our service by reviewing emergency incidents and applying lessons learned. All promotional and assignments tests are administered through this section. Section provides oversight and maintenance of Department personnel certifications.

### 2001-03 Highlights:

The biennial budget includes additional funding for technical training and seminars.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$226,711	\$207,907	\$238,261	\$249,208	\$260,662
Supplies and Services	52,317	48,340	54,257	66,626	70,151
Capital Outlay	0	33,730	33,730	0	0
<b>Expenditure Total</b>	<b>\$279,028</b>	<b>\$289,977</b>	<b>\$326,248</b>	<b>\$315,834</b>	<b>\$330,813</b>
<b>Per Capita</b>	<b>\$1.76</b>	<b>\$1.81</b>	<b>\$2.03</b>	<b>\$1.95</b>	<b>\$2.02</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Training/Professional Development	3			3			3		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

<b>Goal:</b> To provide training and evaluation standards for all phases of emergency services.					
<b>Objective:</b> 1) To evaluate all Emergency Services Division personnel quarterly for compliance with Tempe Fire Department standards relating to fireground, EMS and special operations procedures; and 2) maintain current percentages of completion.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Percentage of companies completing minimum company standards evaluations	100%	100%	100%	100%	100%
Percentage of individuals who successfully attain compliance with minimum company standards	97%	98%	98%	98%	98%
Percentage of individuals who successfully attain self contained breathing apparatus proficiency compliance	98%	98%	98%	98%	98%

## Special Operations



Special Operations involves oversight of development, training, and certification of all special type emergency procedures including hazardous materials and technical rescue (high angle, confined space, swift water, etc.).

The Fire Department is charged with management of the City's emergency preparedness plan for disaster type issues. This includes development and maintenance of the plan, conducting disaster drills, and coordination of disaster preparedness with the County.

Also under the auspices of this section is dispatch liaison with the City of Phoenix Fire Dispatch Center. This includes helping to draft and implement policy and coordination of the technical aspect relevant to Tempe.

### 2001-03 Highlights:

The biennial budget includes funding for technical rescue equipment and hazardous material entry suits.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$111,980	\$91,085	\$96,645	\$103,062	\$112,419
Supplies and Services	24,588	21,500	23,000	27,572	61,007
Contributions	12,414	12,600	13,801	13,000	13,000
Capital Outlay	0	20,000	20,000	12,100	40,665
<b>Expenditure Total</b>	<b>\$148,982</b>	<b>\$145,185</b>	<b>\$153,446</b>	<b>\$155,734</b>	<b>\$227,091</b>
<b>Per Capita</b>	<b>\$0.94</b>	<b>\$0.91</b>	<b>\$0.96</b>	<b>\$0.96</b>	<b>\$1.39</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Special Operations	1			1			1		
<b>Total</b>	<b>1</b>			<b>1</b>			<b>1</b>		

<b>Goal:</b>	To provide efficient response to emergencies that involve hazardous materials.				
<b>Objective:</b>	To effectively manage the number of first responders.				
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
First responders	106	106	106	102	102
Hazardous materials technicians	20	20	20	24	24
First responders per technician	5.3	5.3	5.3	4.3	4.3



Primary responsibilities of Support Services and Personnel Safety include equipment maintenance and repair, apparatus construction management, maintaining the Department's communications systems, and writing equipment bid specifications. In addition, the division orders and distributes fire-fighting supplies to the City's six fire stations.

### 2001-03 Highlights:

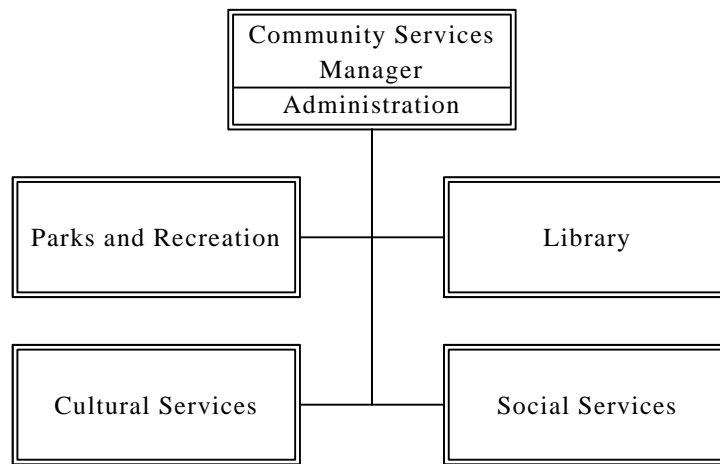
The biennial budget includes funding to retrofit preconnect hoses on three older pumper trucks.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$300,818	\$353,947	\$313,837	\$377,144	\$400,897
Supplies and Services	304,079	277,133	283,485	296,022	312,255
Capital Outlay	172,704	365,000	365,000	500,000	509,700
Internal Services	269,098	197,618	265,429	327,251	290,695
<b>Expenditure Total</b>	<b>\$1,046,699</b>	<b>\$1,193,698</b>	<b>\$1,227,751</b>	<b>\$1,500,417</b>	<b>\$1,513,547</b>
<b>Per Capita</b>	<b>\$6.60</b>	<b>\$7.44</b>	<b>\$7.66</b>	<b>\$9.26</b>	<b>\$9.24</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	2	0.5		2	0.5		2	0.5	
Personnel Safety	4			4			4		
<b>Total</b>	<b>6</b>	<b>0.5</b>		<b>6</b>	<b>0.5</b>		<b>6</b>	<b>0.5</b>	

<b>Goal:</b>	To conduct progressive maintenance, inspections, service work, and major and minor repairs of all fire apparatus.				
<b>Objective:</b>	1) To insure 100% reliability and safety of equipment serviced by Fire Maintenance; and 2) target 100% maintenance completion within the preventive maintenance schedule.				
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Vehicles maintained	20	21	20	20	21
Preventive maintenance inspections	216	228	240	240	252
Percent completed within PM schedule	100%	100%	100%	100%	100%





The Community Services Department consists of Administration, Parks & Recreation, Library, Cultural Services, and Social Services Divisions.

The Department's responsibilities include developing, scheduling and supervising City recreation programs; a full range of public library services; historical/cultural enrichment to Tempe citizens; and social service programs.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$10,099,661	\$11,635,036	\$11,430,500	\$13,376,535	\$14,088,191
Supplies and Services	2,823,614	3,119,669	3,351,073	3,338,707	3,246,395
Capital Outlay	181,490	52,000	193,777	132,000	39,500
Internal Services	1,723,260	1,680,057	1,951,037	2,504,743	2,628,818
Contributions	68,595	76,333	76,333	116,333	116,333
<b>Expenditure Total</b>	<b>\$14,896,620</b>	<b>\$16,563,095</b>	<b>\$17,002,720</b>	<b>\$19,468,318</b>	<b>\$20,119,237</b>
<b>Per Capita</b>	<b>\$93.91</b>	<b>\$103.30</b>	<b>\$106.04</b>	<b>\$120.13</b>	<b>\$122.83</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Administration	\$680,808	\$644,860	\$640,782	\$605,015	\$638,883
Parks and Recreation	4,975,964	5,282,530	5,671,790	6,431,861	6,418,291
Library	3,715,591	4,139,242	4,432,173	4,583,222	4,752,210
Cultural Services	1,219,674	1,355,701	1,299,609	1,823,332	1,834,398
Social Services	4,304,583	5,140,762	4,958,366	6,024,888	6,475,455
<b>Total</b>	<b>\$14,896,620</b>	<b>\$16,563,095</b>	<b>\$17,002,720</b>	<b>\$19,468,318</b>	<b>\$20,119,237</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Community Services Admin. and Parks & Recreation	38	6.25	60.77	43	6.25	65.87	43	6.25	65.87
Library	37	8.25	9.84	37	8.25	9.84	37	8.25	9.84
Cultural Services	17	1.00	6.53	17	1.50	7.02	17	1.50	7.02
Social Services	37	8.90	73.10	41	17.65	62.10	42	18.65	62.10
<b>Total</b>	<b>129</b>	<b>21.65</b>	<b>150.24</b>	<b>138</b>	<b>33.65</b>	<b>144.83</b>	<b>139</b>	<b>34.65</b>	<b>144.83</b>



Community Services Administration is responsible for overall management of the City's recreation, library, cultural, and social services resources. In this role, Administration manages services provided at municipal parks, golf courses, stadium facilities, swimming pools, the Tempe Public Library, the Tempe Historical Museum, the Pyle Adult Recreation Center, the Vihel Cultural Center, and at community events occurring throughout the city.

Services provided by Parks and Recreation are as follows: (1) facilities coordination and scheduling; (2) general recreation; (3) special recreation for retired citizens; (4) instructional programs; (5) community special events; (6) aquatics maintenance and programming; (7) baseball and softball programs; (8) oversight of golf course operations; and (9) park planning and design.

### 2001-03 Highlights:

Year one of the biennial budget includes additional funding for: 2 FT and 1 FTE in the Instructional Boating Program to allow the program to be continued and expanded to meet the current demand for boating instruction on Tempe Town Lake; 2 full-time Sports Recreation Program Coordinators to replace four part-time positions, established as twenty-four month apprenticeship or internship opportunities; 1 FTE to expand existing retiree programming at the Pyle Adult Recreation Center and to begin senior programming at the West Side Multigenerational Center, which includes a part-time permanent Program Coordinator and a part-time temp; 1 full-time Therapeutic Recreation Coordinator and 1.93 FTE for Adapted (Therapeutic) Recreation.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$3,471,921	\$3,909,947	\$4,087,612	\$4,577,685	\$4,583,326
Supplies and Services	1,296,579	1,354,347	1,455,811	1,496,913	1,457,905
Capital Outlay	123,303	0	141,077	43,050	35,000
Internal Services	696,374	586,763	551,739	802,895	864,610
Contributions	68,595	76,333	76,333	116,333	116,333
<b>Expenditure Total</b>	<b>\$5,656,772</b>	<b>\$5,927,390</b>	<b>\$6,312,572</b>	<b>\$7,036,876</b>	<b>\$7,057,174</b>
<b>Per Capita</b>	<b>\$35.66</b>	<b>\$36.97</b>	<b>\$39.37</b>	<b>\$43.42</b>	<b>\$43.09</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.52	3		0.52	3		0.52
Parks and Recreation	35	6.25	60.25	40	6.25	65.35	40	6.25	65.35
<b>Total</b>	<b>38</b>	<b>6.25</b>	<b>60.77</b>	<b>43</b>	<b>6.25</b>	<b>65.87</b>	<b>43</b>	<b>6.25</b>	<b>65.87</b>



<b>Goal:</b> 1) To provide quality recreation services to the community, to coordinate the effective use of community facilities; and 2) provide a wide variety of leisure opportunities.					
<b>Objective:</b> 1) To provide recreational opportunities at a cost that compares favorably with other cities as measured by cost per capita; and 2) maintain 95% citizen satisfaction with parks and recreation facilities.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
<i>O&amp;M cost per capita</i>	\$31.37	\$32.95	\$35.37	\$39.69	\$39.19
Parks & Recreation revenue	\$1,963,289	\$1,772,600	\$2,015,872	\$2,050,709	\$2,053,259
Cost Recovery	39%	33%	35%	32%	32%
Percentage of citizens who have used a City park or recreation program in the past 12 months	78%	78%	78%	80%	80%
Percentage of citizens who rate parks and recreation facilities as satisfactory	95%	97%	95%	95%	95%

*Comparative Benchmark*

The Tempe Public Library serves the needs of the citizens of Tempe by providing books, audio-visual materials, and computer-based information resources to inform, instruct, and entertain people of all ages, levels of ability, and educational backgrounds. Services provided by this division are as follows: (1) checkout of print and audio materials; (2) reference and referral services; (3) story hours, reading programs, book discussion groups, seminars, class visits and other book-oriented group programs; (4) inter-library loans; (5) computer and Internet instructional classes; and (6) public access to the Internet and other computing resources.

### 2001-03 Highlights:

Year 1 provides funding for the replacement of highly used children's books and audio-visual materials that have been damaged or lost; while Year 2 provides funding for the replacement of highly used adult books and audio-visual materials that have been damaged or lost.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$2,312,294	\$2,581,777	\$2,490,861	\$2,761,726	\$2,942,409
Supplies and Services	905,809	985,461	1,116,535	963,360	919,936
Capital Outlay	17,937	52,000	52,700	0	0
Internal Services	479,551	520,004	772,077	858,136	889,865
<b>Expenditure Total</b>	<b>\$3,715,591</b>	<b>\$4,139,242</b>	<b>\$4,432,173</b>	<b>\$4,583,222</b>	<b>\$4,752,210</b>
<b>Per Capita</b>	<b>\$23.42</b>	<b>\$25.82</b>	<b>\$27.64</b>	<b>\$28.28</b>	<b>\$29.01</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Library	37	8.25	9.84	37	8.25	9.84	37	8.25	9.84
<b>Total</b>	<b>37</b>	<b>8.25</b>	<b>9.84</b>	<b>37</b>	<b>8.25</b>	<b>9.84</b>	<b>37</b>	<b>8.25</b>	<b>9.84</b>



<b>Goal:</b> To provide access to excellent library resources and services that will assist community residents of all ages obtain information that meets their educational, professional, and recreational needs.					
<b>Objective:</b> To increase community usage of the library's collection and electronic research resources.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Actual</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Library visitors (door count)	884,223	972,000	893,065	901,995	911,014
Registered borrowers	164,346	170,000	165,000	166,650	167,483
Percent change	-	3.4%	(2.9%)	1.0%	0.5%
Circulation	1,107,473	1,250,000	1,101,510	1,112,525	1,123,650
Percent change	-	12.9%	(11.9%)	1.0%	1.0%
Patrons Using Internet*	95,502	-	119,377	125,125	128,878
Percent Change*	-	-	25%	5%	3%
<i>Operating cost per volume circulated</i>	<i>\$3.36</i>	<i>\$3.31</i>	<i>\$4.02</i>	<i>\$4.12</i>	<i>\$4.23</i>
<i>Library FTE per 1,000 population</i>	<i>0.29</i>	<i>0.28</i>	<i>0.28</i>	<i>0.28</i>	<i>0.28</i>
<i>Circulation per capita</i>	<i>7.0</i>	<i>7.8</i>	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>

*Comparative Benchmark*

\* New measure



The Cultural Services Division includes three main program areas; Tempe Historical Museum, the Community Arts Program and the Fine Arts Programs. Services provided include management of the Peterson House and the Vihel Center for the Arts, the Tempe Performing Arts Center, exhibits, community arts and cultural classes, and public arts grants.

**2001-03 Highlights:**

In Year 1, additional funding was provided for the expansion of various Community Arts Programs, including Ceramics and the Adventure in the Arts Summer Youth Camp. Funding was also added for various capital outlay needs in the facilities.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$868,908	\$991,790	\$953,478	\$1,343,626	\$1,433,990
Supplies and Services	125,739	190,336	190,236	211,463	209,963
Capital Outlay	33,611	0	0	88,950	4,500
Internal Services	191,416	173,575	155,895	179,293	185,945
<b>Expenditure Total</b>	<b>\$1,219,674</b>	<b>\$1,355,701</b>	<b>\$1,299,609</b>	<b>\$1,823,332</b>	<b>\$1,834,398</b>
<b>Per Capita</b>	<b>\$7.69</b>	<b>\$8.46</b>	<b>\$8.11</b>	<b>\$11.25</b>	<b>\$11.20</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Cultural Services	14	1	6.53	14	1.5	7.02	14	1.5	7.02
Performing Arts	3			3			3		
<b>Total</b>	<b>17</b>	<b>1</b>	<b>6.53</b>	<b>17</b>	<b>1.5</b>	<b>7.02</b>	<b>17</b>	<b>1.5</b>	<b>7.02</b>



<b>Goal:</b> To collect, record, and preserve tangible aspects of Tempe's past; and present and interpret Tempe's history to the general public.					
<b>Objective:</b> 1) To improve documentation of objects in the permanent artifact collections of the Tempe Historical Museum; and 2) increase public visitation at the Historical Museum and Peterson House Museum.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Objects catalogued	2,700	3,000	3,000	3,000	3,000
Visitors to Historical Museum and Peterson House	13,855	17,000	12,186	13,000	15,000

<b>Goal:</b> To provide quality arts programming to the community, facilitate the effective use of arts facilities, and provide a diverse array of arts opportunities.					
<b>Objective:</b> 1) To support arts programming through grants funding of arts organizations and schools; and 2) offer a wide array of quality arts programming and classes.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Program enrollment	5,233	5,388	5,308	5,400	5,500
Arts Classes revenues	\$104,286	\$83,969	\$124,181	\$124,000	\$124,000
Grants provided to Art Organizations and Schools	\$135,853	\$128,070	\$128,070	\$127,465	\$130,000
Participants reached through grants	227,719	225,000	227,651	220,000	220,000





The Social Services Division provides a wide array of services for Tempe youth and families. Activities and services are offered to all age groups in order to promote positive and healthy lifestyles. Services for youth include pre-school programs at the Escalante and West Side Multigenerational Centers, Kid Zone before and after school enrichment program, Teen Zone which encourages youth involvement in positive activities and services, and the Youth Employment Program which promotes strong work values and assists youth in exploring career opportunities. Residents of all ages may participate in State Licensed Counseling and/or Crisis Intervention Services. The Diversion/Probation Program provides a constructive program of case management, assessment, counseling and community service to individuals referred from Tempe City Court.

### 2001-03 Highlights:

In fiscal year 2001-02, funding was provided to accommodate 13 staff members who were converted from part-time temporary to permanent benefitted status. A new Care 7 Crisis Response Counselor was added to continue the partnership between Police, Fire, and Community Services by means of the Care 7 team whose services would not continue at the conclusion of grant funding. Year 1 was also the first year that the new West Side Multigenerational Center received a full year's operating budget. Year 2 includes additional funding for a full-time Coordinator of Homeless Services position, who will provide focus by coordinating public and private efforts, faith community, downtown efforts and volunteers.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$3,446,538	\$4,151,522	\$3,898,549	\$4,693,498	\$5,128,466
Supplies and Services	495,487	589,525	588,491	666,971	658,591
Capital Outlay	6,639	0	0	0	0
Internal Services	355,919	399,715	471,326	664,419	688,398
<b>Expenditure Total</b>	<b>\$4,304,583</b>	<b>\$5,140,762</b>	<b>\$4,958,366</b>	<b>\$6,024,888</b>	<b>\$6,475,455</b>
<b>Per Capita</b>	<b>\$27.14</b>	<b>\$32.06</b>	<b>\$30.92</b>	<b>\$37.18</b>	<b>\$39.53</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Social Services/Administration	30	4.9	15.67	34	3.65	14.67	35	4.65	14.67
Social Services/ KID ZONE	7	4.0	57.43	7	14.00	47.43	7	14.00	47.43
<b>Total</b>	<b>37</b>	<b>8.9</b>	<b>73.10</b>	<b>41</b>	<b>17.65</b>	<b>62.10</b>	<b>42</b>	<b>18.65</b>	<b>62.10</b>

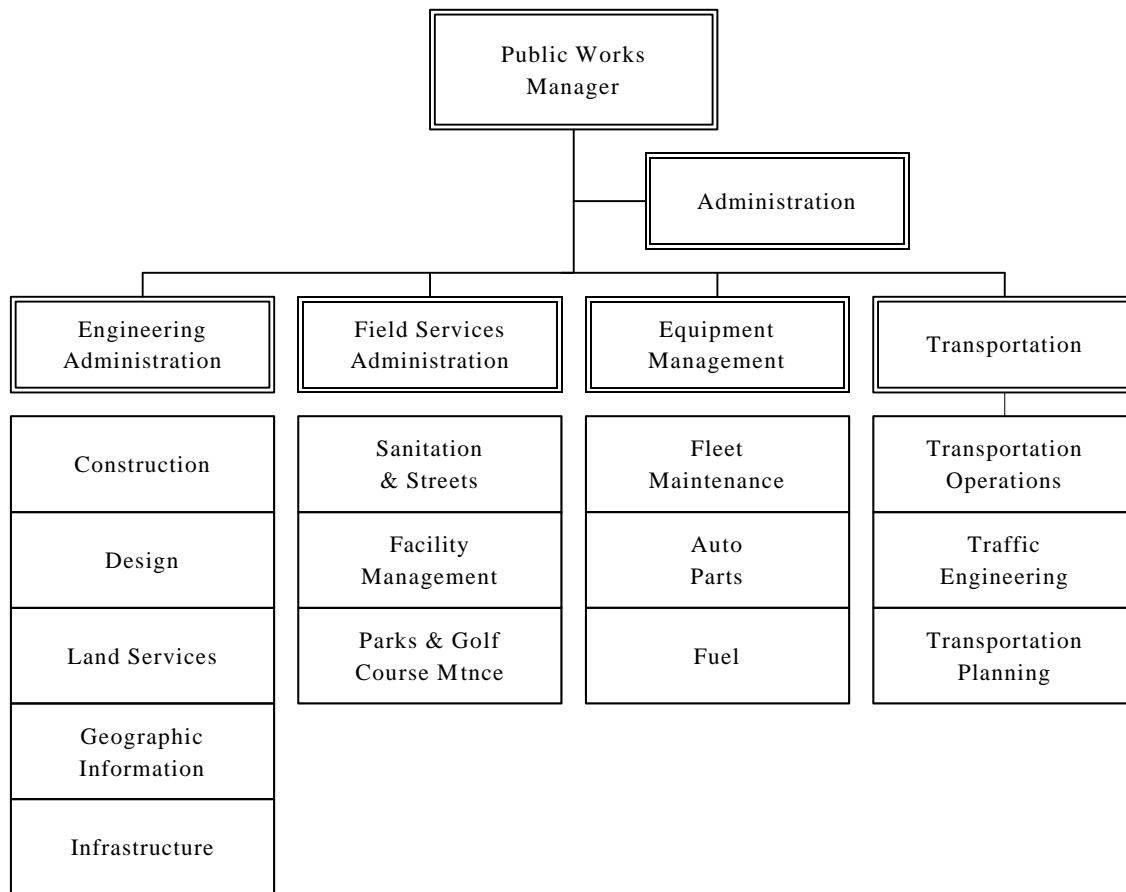


<b>Goal: To promote strong work values and assist youth in exploring career opportunities.</b>					
<b>Objective: 1) To provide job placement services to 800 Tempe youth, citizens and businesses annually; and 2) to provide job seeking skills and career education to 1,500 Tempe youth annually.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Job seeking applicants	400	450	450	425	425
Total job orders received	375	375	375	375	375
Youth in career education	2,000	2,000	2,643	2,000	2,000

<b>Goal: To promote healthy family atmospheres by providing education classes for youth and adults.</b>					
<b>Objective: To maintain a 95% level of satisfaction with the quality of community education among participants.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Kid Zone Participants*	3,191	-	3,286	3,300	3,350
Community Center Education contacts*	8,515	-	10,231	15,000	15,500
Community Center Recreation contacts*	19,647	-	31,891	34,000	36,000
Level of Satisfaction	95%	95%	95%	95%	95%

<b>Goal: 1) To redirect adult first-time offenders into positive community activities by providing counseling and educational programs; 2) to provide case management services for offenders assigned to probation by the court to participate in counseling, domestic violence and drug and alcohol treatment programs' and 3) to provide screening services for offenders referred by the court to assess level of education and/or treatment and make appropriate referrals.</b>					
<b>Objective: 1) To attain a success rate of 75% for adult diversion clients; 2) attain a success rate of 60% for probation clients; and 3) attain a success rate of 80% for screening services clients.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
New ADP	1,374	1,150	1,254	1,150	1,150
New PROB	322	200	407	200	200
New Screenings	1,079	900	1,003	900	900
Percent Completion:					
Adult diversion clients	80%	90%	80%	75%	75%
Probation clients	66%	75%	66%	60%	60%
Screening services	89%	80%	89%	80%	80%

\* New measure



The Public Works Department consists of Administration and Engineering, Field Services, Equipment Management, and Transportation. The Engineering Division provides CIP project estimating, utility management, real estate services, property addressing right-of-way permitting, and project design and coordination.

Field Services consists of Streets and Sanitation, Parks and Golf Course Maintenance, and Facility Maintenance. Field Services is responsible for maintaining 46 public parks, performing building maintenance and custodial services, street maintenance and solid waste collection.

Equipment Management is responsible for vehicle and equipment repair, preventive maintenance, and fleet road service.

Transportation is comprised of Transportation Operations, traffic engineering, transit and transportation planning. Transportation is responsible for traffic engineering design and studies, traffic calming, transit services, long range transportation planning, pavement marking and striping, traffic signal maintenance and construction, and street lighting.



<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$18,029,923	\$19,727,295	\$18,711,254	\$21,208,677	\$22,861,093
Supplies and Services	24,245,227	29,165,319	29,352,225	33,067,477	34,924,154
Capital Outlay	3,908,274	2,840,395	2,034,450	2,941,420	2,576,770
Internal Services	(931,524)	(721,158)	58,964	(1,424,270)	(1,224,442)
Contributions	5,570	48,133	4,615	36,198	36,261
<b>Expenditure Total</b>	<b>\$45,257,470</b>	<b>\$51,059,984</b>	<b>\$50,161,508</b>	<b>\$55,829,502</b>	<b>\$59,173,836</b>
<b>Per Capita</b>	<b>\$285.31</b>	<b>\$318.45</b>	<b>\$312.85</b>	<b>\$344.49</b>	<b>\$361.27</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Administration and Engineering	\$1,299,206	\$1,282,442	\$1,170,610	\$1,306,564	\$1,365,860
Field Services:					
Administration & Sanitation	10,890,560	10,619,855	10,310,855	10,805,807	11,103,039
Streets Maintenance	2,115,557	2,244,478	1,887,798	1,649,845	1,810,172
Facility Management	3,976,843	4,201,744	4,041,374	4,636,134	4,876,173
Parks and Golf Course Maintenance	7,563,341	8,136,312	7,763,278	8,794,869	9,223,589
Equipment Management	0	0	0	0	0
Transportation	19,411,963	24,575,153	24,987,593	28,636,283	30,795,003
<b>Total</b>	<b>\$45,257,470</b>	<b>\$51,059,984</b>	<b>\$50,161,508</b>	<b>\$55,829,502</b>	<b>\$59,173,836</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Administration and Engineering	43		0.49	46		0.49	46		0.49
Field Services	250	1.5	8.69	252	1.5	8.69	253	1.5	8.69
Equipment Management	36		.50	36		.50	36		.50
Transportation	55	0.5		63	0.5		66	0.5	
<b>Total</b>	<b>384</b>	<b>2.0</b>	<b>9.68</b>	<b>397</b>	<b>2.0</b>	<b>9.68</b>	<b>401</b>	<b>2.0</b>	<b>9.68</b>

## Public Works—Administration and Engineering



The Public Works Director has overall responsibility for providing the leadership, management and administrative support necessary for the Public Works Department.

Services provided are as follows: (1) administer the Public Works budget and acquisition of capital outlay; (2) approve all Public Works personnel actions; (3) submit recommendations on Public Works and related activities to the City Council; (4) monitor public improvement projects; (5) plans review, technical standards, design services, and engineering studies; (6) coordinate and administer the Capital Improvements Program (estimates, scheduling, specifications, improvement districts, surveying and staking); (7) control public rights-of-way: construction permits, construction inspection, Water, Sewer and Storm Drain Extension Ordinance, Grading and Drainage Ordinance, Flood Plain Ordinance and as-built records/information; and (8) provide real estate services (acquisitions, annexations, abandonments, encroachments and appraisals).

The Engineering Division has the primary responsibility of providing engineering, surveying, inspection, testing and contractual services for all improvements constructed within the public right-of-way.

### 2001-03 Highlights:

One full-time Engineering Associate has been authorized to address an increase in the level of inspection requirements associated with capital projects, as well as, one full-time Civil Engineer to address an increase in the number of water/wastewater projects in the City's six-year Capital Improvements Program. Funding has also been approved for a robotic total station and support technology.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$2,540,163	\$2,620,339	\$2,581,642	\$2,928,371	\$3,110,259
Supplies and Services	365,824	413,219	413,144	517,310	541,534
Capital Outlay	5,774	0	0	41,600	0
Internal Services	(1,612,555)	(1,751,116)	(1,824,176)	(2,180,717)	(2,285,933)
<b>Expenditure Total</b>	<b>\$1,299,206</b>	<b>\$1,282,442</b>	<b>\$1,170,610</b>	<b>\$1,306,564</b>	<b>\$1,365,860</b>
<b>Per Capita</b>	<b>\$8.19</b>	<b>\$8.00</b>	<b>\$7.30</b>	<b>\$8.06</b>	<b>\$8.34</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	4		.49	4		.49	4		.49
Engineering	39			42			42		
<b>Total</b>	<b>43</b>		<b>.49</b>	<b>46</b>		<b>.49</b>	<b>46</b>		<b>.49</b>

<b>Goal:</b> To efficiently provide for improved community quality of life by strategic planning, budgeting, design, and construction of capital improvement projects which address recreational, municipal facilities, public utilities, transportation, and public safety needs.					
<b>Objective:</b> To commit 90% of funding for budgeted projects within 18 months.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
CIP dollars budgeted	\$83.9M	\$61.3M	\$60.7M	\$71.8M	\$130.2M
Projects budgeted	121	87	87	108	103
Consultants managed	146	100	140	150	150
Projects designed privately	63	90	45	60	65
Value of projects designed privately	\$43M	\$45M	\$32M	\$39M	\$75M
Projects committed within 18 months	90%	90%	90%	90%	90%

<b>Goal:</b> To insure that the construction of private developments and related utility work is coordinated with the City's infrastructure, transportation plan and quality standards, and is in compliance with applicable codes and ordinances.					
<b>Objective:</b> 1) To issue 275 private development and 200 new private development permits; and 2) spend 6,240 staff hours inspecting the work for all utility and private development construction activity.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Private development permits issued	369	600	234	275	275
Utility permits issued	1,430	-	1,943	2,000	2,000
New private developments	149	200	125	150	150
Staff hours for inspection	4,600	4,600	5,720	6,240	6,240

<b>Goal:</b> To plan for the maintenance, upgrade or replacement of the City's infrastructure (water, sewer, storm drain, irrigation, pavement, and concrete) in order to maximize its life and maintain its level of service.					
<b>Objective:</b> To maintain a database of the facility type, condition, and history which is used to prioritize projects that will minimize disruption of service, extend the useful life, and maintain quality service to the public.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i>(In millions)</i>					
Pavement maintained (square yards)	11.87	11.87	11.87	11.87	11.87
Concrete curbs maintained (linear feet)	5.8	5.8	5.8	5.8	5.8
Sidewalk maintained (square yards)	8.1	8.1	8.1	8.1	8.1
Funds required for preventive maintenance	\$3.67	\$2.10	\$3.13	\$2.92	\$3.38



Sanitation is responsible for the collection and disposal of solid waste generated from all residential and selected commercial facilities within the City of Tempe. The solid waste is taken to the Waste Management Sky Harbor Transfer Station. Services provided by this division are as follows: (1) provide plastic solid waste containers to all residential customers, collect residential solid waste and transport to the transfer station; (2) curbside collection of commingled residential recyclables; (3) provide metal bulk solid waste containers to commercial customers, collect commercial solid waste and transport to transfer station; (4) collect cardboard and paper from commercial accounts for recycling; (5) collect all uncontained solid waste from residential customers and transport to transfer station; (6) collect all uncontained green waste from residential customers and transport to the Salt River Landfill for recycling; and (7) repair and maintain 90 and 300 gallon plastic solid waste containers, roll off containers and various sizes of solid waste metal containers.

**2001-03 Highlights:**

Funding has been authorized for refuse truck signage to equip all refuse collection vehicles with sign brackets and interchangeable signs for the promotion and advertisement of City programs.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$3,418,188	\$3,593,467	\$3,572,512	\$3,730,086	\$3,980,807
Supplies and Services	3,053,772	3,156,219	2,972,532	3,189,458	3,221,633
Capital Outlay	2,196,825	1,392,600	1,407,000	1,290,890	1,177,150
Internal Services	2,217,160	2,471,436	2,354,196	2,589,175	2,717,188
Contributions	4,615	6,133	4,615	6,198	6,261
<b>Expenditure Total</b>	<b>\$10,890,560</b>	<b>\$10,619,855</b>	<b>\$10,310,855</b>	<b>\$10,805,807</b>	<b>\$11,103,039</b>
<b>Per Capita</b>	<b>\$68.66</b>	<b>\$66.23</b>	<b>\$64.31</b>	<b>\$66.68</b>	<b>\$67.79</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Field Services Administration	7			7			7		
Sanitation	64	.50		64	.50		64	.50	
<b>Total</b>	<b>71</b>	<b>.50</b>		<b>71</b>	<b>.50</b>		<b>71</b>	<b>.50</b>	



<b>Goal:</b> To properly collect and dispose of all contained and uncontained solid waste and green waste generated by residential customers.					
<b>Objective:</b> 1) To provide excellent service to 34,098 residential customers; 2) divert 24% of residential waste stream, and 3) maintain citizen satisfaction with trash collection (97%) and recycling (94%).					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Residential households serviced	34,340	34,612	34,612	34,187	34,098
Total O&M:					
Residential contained	\$2,522,347	\$2,313,250	\$2,313,250	\$2,674,522	\$2,475,178
Residential uncontained/green waste	\$2,033,307	\$1,987,335	\$1,987,335	\$1,689,127	\$2,126,448
Recycling	\$1,636,468	\$1,500,808	\$1,500,808	\$1,200,628	\$1,605,865
Tons of refuse collected:					
Residential contained	37,040	37,891	37,891	38,638	39,384
Residential uncontained/green waste	16,378	16,754	16,754	16,829	16,905
Recycling	14,277	14,605	14,605	14,150	13,700
Collection cost per ton:					
Residential contained	\$68.10	\$61.06	\$61.06	\$69.22	\$76.32
Residential uncontained	\$124.15	\$118.62	\$118.62	\$100.37	\$125.78
Recycling	\$114.62	\$102.76	\$102.76	\$84.85	\$117.21
Residential diversion rate (recycling)	21%	21%	21%	23%	24%
Citizen satisfaction with trash collection	-	97%	97%	97%	97%
Citizen satisfaction with recycling	-	94%	94%	94%	94%
Residential Contained Refuse tons per capita (1,000)	234	236	236	238	240

<b>Goal:</b> To properly collect and dispose of all solid waste generated by commercial customers and multi-family housing units within the City.					
<b>Objective:</b> 1) To continue to provide quality and timely collection service to approximately 2,166 commercial accounts; and 2) minimize collection cost per ton to \$51.51.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Commercial accounts serviced per month	1,950	1,975	1,975	2,100	2,166
Percent change	-	1.3%	0.0%	6.3%	3.1%
Total O&M-Commercial	\$4,352,263	\$4,522,594	\$4,522,594	\$3,969,600	\$5,015,557
Tons of refuse collected	75,921	77,819	77,819	96,000	97,370
Collection cost per ton	\$57.33	\$58.12	\$58.12	\$41.35	\$51.51

*Comparative Benchmark*





The Street Maintenance function provides for construction, reconstruction and maintenance of streets, sidewalks, bikeways, alleys, easements and storm drainage facilities within the City. Primary emphasis is on maintenance of existing facilities. Activities also include street and sidewalk sweeping. Services provided are as follows: (1) maintain all streets and alleyways; (2) clean and sweep debris and litter from all paved City streets, alleys and bikeways; (3) provide emergency storm and flood protection; (4) install temporary widening to reduce potential hazard to public; and (5) clean-up downtown area daily from Ash to College Avenue and Rio Salado to University.

### 2001-03 Highlights:

Funding has been authorized for emergency standby overtime to establish an overtime budget designated for after hour emergency call-outs (road closures, debris removal), and for the continuation of the City's tree trimming contract to ensure prompt removal of obstructions in the rights-of-way.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$1,284,442	\$1,331,946	\$813,312	\$874,917	\$966,549
Supplies and Services	310,905	341,188	272,099	349,011	365,280
Capital Outlay	235,703	218,750	461,200	50,100	83,400
Internal Services	284,507	352,594	341,187	375,817	394,943
<b>Expenditure Total</b>	<b>\$2,115,557</b>	<b>\$2,244,478</b>	<b>\$1,887,798</b>	<b>\$1,649,845</b>	<b>\$1,810,172</b>
<b>Per Capita</b>	<b>\$13.34</b>	<b>\$14.00</b>	<b>\$11.77</b>	<b>\$10.18</b>	<b>\$11.05</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Street Maintenance	25			25			25		
<b>Total</b>	<b>25</b>			<b>25</b>			<b>25</b>		

<b>Goal:</b> To perform preventive maintenance on existing streets and alleys (paved and unpaved) to ensure that they are acceptable and safe for public use. <b>Objective:</b> 1) To provide crack routing and sealing operations on all streets; and 2) keep all streets and paved alleys free of potholes and to ensure that utility cuts are leveled out.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Street Maintenance (Construction)</b>					
Total O&M:					
Crack filling	\$313,779	\$419,215	\$252,882	\$297,901	\$330,928
Utility cut repairs	\$134,477	\$179,663	\$106,989	\$126,035	\$140,008
Asphalt milling	\$313,779	\$419,215	\$252,882	\$297,901	\$330,928
Dust control/special projects	\$134,477	\$179,663	\$106,989	\$126,035	\$140,008
Miles of cracks filled	300	325	325	337	348
Street utility cuts repaired (square feet)	25,000	25,700	25,700	20,000	25,700
Asphalt milling (linear feet)	400,000	500,000	500,000	517,000	535,000
Dust control in alleys (miles)	50	50	50	50	120
Cost per mile of cracks filled	\$1,046	\$1,290	\$778	\$884	\$951
Cost per utility cut repaired (square feet)	\$5.38	\$6.99	\$4.16	\$6.30	\$5.45
Cost per square foot of asphalt milled	\$0.78	\$0.84	\$0.51	\$0.58	\$0.62
Cost per square foot of dust control (alleys)	\$2,690	\$3,593	\$2,140	\$2,521	\$1,167

<b>Goal:</b> To provide safe and well-maintained streets for the citizens of Tempe. <b>Objective:</b> To hold maintenance costs to under \$7.00 per curb mile swept.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Field Maintenance (Right-of-Way)</b>					
Total O&M	\$523,398	\$405,380	\$252,882	\$297,901	\$330,928
Curb miles of street swept	50,024	50,324	50,324	50,324	50,324
Cost per curb mile swept	\$10.46	\$8.06	\$5.03	\$5.92	\$6.56
Total O&M per lane mile	\$724	\$967	\$786	\$726	\$1,028

*Comparative Benchmark*

## Field Services/Facility Management



The Facility Management Services Section provides maintenance and repair service to all City owned buildings and area lighting for City parks and parking lots. The maintenance and repair activities provided are: carpentry, painting, plumbing, electrical, heating, cooling, ventilation, locks, security, building automation systems, and energy management.

The Custodial Services Section provides interior cleaning of City owned buildings and park restrooms. The basic services provided are: trash removal, mopping, waxing, and vacuuming.

### 2001-03 Highlights:

Funding has been authorized for one full-time Custodian and two full-time Facility Maintenance Technicians I/II to handle an increase in square footage maintained throughout the City.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$2,186,468	\$2,486,557	\$2,320,693	\$2,747,107	\$2,936,627
Supplies and Services	2,118,773	2,068,686	2,074,425	2,193,617	2,302,087
Capital Outlay	5,215	8,000	8,000	0	0
Internal Services	(333,613)	(361,499)	(361,744)	(304,590)	(362,541)
<b>Expenditure Total</b>	<b>\$3,976,843</b>	<b>\$4,201,744</b>	<b>\$4,041,374</b>	<b>\$4,636,134</b>	<b>\$4,876,173</b>
<b>Per Capita</b>	<b>\$25.07</b>	<b>\$26.21</b>	<b>\$25.21</b>	<b>\$28.61</b>	<b>\$29.77</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Facility Services	19			20			21		
Custodial Services	38	.50	.49	39	.50	.49	39	.50	.49
<b>Total</b>	<b>57</b>	<b>.50</b>	<b>.49</b>	<b>59</b>	<b>.50</b>	<b>.49</b>	<b>60</b>	<b>.50</b>	<b>.49</b>



<b>Goal:</b> To provide efficient maintenance and custodial services to all City facilities while maintaining a safe, clean and productive work environment. <b>Objective:</b> 1) To provide preventive maintenance on all City facilities as required by manufacturer or industry standards; and 2) provide manpower coverage between 50,000 to 55,000 square foot per 10 hour shift for routine maintenance functions.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i>Facility Maintenance</i>					
Total O&M	\$2,796,471	\$2,866,391	\$2,818,686	\$3,186,706	\$3,345,573
Full-time Equivalents (FTE's)	18	18	19	20	21
Buildings maintained	70	72	72	72	72
Square feet maintained	1,057,060	1,100,000	1,100,000	1,225,525	1,225,525
Percent change	-	4%	0%	11%	0%
O&M per square foot maintained	\$2.65	\$2.61	\$2.56	\$2.60	\$2.73
Square feet maintained per FTE	58,726	61,111	57,895	61,276	58,358

<b>Goal:</b> To provide efficient maintenance and custodial services to all City facilities while maintaining a safe, clean and productive work environment. <b>Objective:</b> To hold custodial costs per square foot per year between \$1.50 and \$2.00; and maintain square footage per custodian between 18,000 to 18,500 per 8 hour shift for routine cleaning.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i>Custodial Services</i>					
Total O&M	\$1,204,960	\$1,335,354	\$1,214,688	\$1,449,428	\$1,530,600
Full-time Equivalents	36.99	37.99	38.99	39.99	39.99
Total square feet	1,057,060	1,100,000	1,100,000	1,225,525	1,225,525
Total square feet cleaned	680,000	690,000	883,957	883,957	883,957
Percent change	-	2%	28%	0%	0%
Number of buildings cleaned	55	55	62	62	62
O&M per square foot cleaned	\$1.77	\$1.94	\$1.37	\$1.64	\$1.73
Square feet cleaned per FTE	18,383	18,163	22,671	22,104	22,104

## Field Services/Parks and Golf Course Maintenance



The Parks and Golf Course Maintenance section of Field Services assists in the planning and development of parkland and facilities. Services provided by this section are as follows: (1) maintain recreational facilities to meet the public needs; (2) maintenance for all parks, special facilities and golf courses; (3) maintenance of the Diablo Stadium Sports Complex; (4) necessary services for a professional baseball team, other sporting activities and special events held at the stadium complex; (5) maintain rights-of-way and facility grounds in an attractive and pleasing state; and (6) maintain the Rio Salado linear parks.

### 2001-03 Highlights:

Additional funding has been authorized to oversee tees and greens, fairways and roughs, and to double the amount of seed applied to these areas.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$3,705,108	\$4,257,068	\$4,100,561	\$4,638,466	\$4,966,308
Supplies and Services	3,153,154	3,240,171	3,164,010	3,343,501	3,423,144
Capital Outlay	80,134	105,750	153,000	64,800	182,800
Internal Services	624,945	533,323	345,707	748,102	651,337
<b>Expenditure Total</b>	<b>\$7,563,341</b>	<b>\$8,136,312</b>	<b>\$7,763,278</b>	<b>\$8,794,869</b>	<b>\$9,223,589</b>
<b>Per Capita</b>	<b>\$47.49</b>	<b>\$50.74</b>	<b>\$48.42</b>	<b>\$54.27</b>	<b>\$56.31</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Parks Maintenance	51		5.12	51		5.12	51		5.12
Pest Control	5			5			5		
Baseball Facility	10		0.56	10		0.56	10		0.56
Golf Courses	22		2.42	22		2.42	22		2.42
Landscape Maintenance	3			3			3		
Rio Salado	4	.50	0.10	4	.50	0.10	4	.50	0.10
Double Butte Cemetery	2			2			2		
<b>Total</b>	<b>97</b>	<b>.50</b>	<b>8.20</b>	<b>97</b>	<b>.50</b>	<b>8.20</b>	<b>97</b>	<b>.50</b>	<b>8.20</b>



<b>Goal: To maintain rights-of-way in an attractive and pleasing manner.</b>					
<b>Objective: 1) To manage the landscape contract for the care and maintenance of the City's rights-of-way, medians and facility grounds and perform manual watering in designated areas; and 2) maintain 85% citizen satisfaction with maintenance program.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Landscape maintained (square feet)	9,214,068	9,800,000	9,800,000	10,208,333	10,416,666
Percent change	-	6%	0%	4%	2%
Landscape maintained (acres)	211	225	225	234	240
Citizen satisfaction	85%	85%	85%	88%	88%

<b>Goal: To provide recreational facilities for leisure opportunities that are accessible, attractive, enjoyable and safe.</b>					
<b>Objective: 1) To provide facilities to meet the public's recreational needs and maintain high standards for all recreational use; and 2) target 95% citizen satisfaction levels with community parks.</b>					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Total acres maintained	1,074	1,074	1,074	1,074	1,089
Per employee:					
Stadium	5.55	5.55	5.55	5.55	5.55
Parks/Special Facilities	16.73	16.73	16.73	16.73	19.13
Golf courses	10.37	10.37	10.37	10.37	10.37
Parks/Special Facilities maintained	51	51	51	51	51
Golf course rounds of play:					
Ken McDonald (18 hole rounds)	89,753	95,000	90,207	90,000	90,000
Percent change	-	6%	(5%)	0%	0%
Rolling Hills (9 hole rounds)	117,763	130,000	108,036	113,000	113,000
Percent change	-	10%	(17%)	5%	0%
Diablo stadium special events	130	130	125	140	150
Citizen satisfaction	95%	95%	95%	95%	95%

## Equipment Management



The Equipment Management Division of the Public Works Department is responsible for maintaining the municipal vehicular and construction equipment fleet in as high a degree of mechanical readiness as economically possible. Services provided by this division include: (1) vehicular fleet maintenance; (2) preventative maintenance; (3) unscheduled repair and road service; (4) quality control; (5) fuel site maintenance and fuel inventory control; (6) parts inventory control; and (7) equipment specifications preparation.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,927,930	\$2,061,618	\$1,905,366	\$2,144,268	\$2,279,975
Supplies and Services	1,579,430	1,764,493	1,821,850	1,874,072	1,893,024
Capital Outlay	1,059,677	1,034,995	0	1,325,880	973,100
Internal Services	(4,567,037)	(4,861,106)	(3,727,216)	(5,344,220)	(5,146,099)
<b>Expenditure Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Equipment Management	36		0.5	36		0.5	36		0.5
<b>Total</b>	<b>36</b>		<b>0.5</b>	<b>36</b>		<b>0.5</b>	<b>36</b>		<b>0.5</b>



<b>Goal:</b> To maintain the City's fleet at a low cost.					
<b>Objective:</b> 1) To contain the growth in maintenance and repair, fuel and capital costs as measured by cost per mile; and 2) adhere to a vehicle replacement policy that results in vehicles without excessive mileage and related higher repair and maintenance costs.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i>Cost per mile (maintenance and repair, fuel and capital cost):</i>					
Police patrol sedans	0.27	0.48	0.39	0.42	0.45
Light duty trucks	0.22	0.32	0.25	0.27	0.29
Refuse trucks	1.16	2.47	1.66	1.90	2.00
<i>Vehicle age in miles:</i>					
Police patrol sedans	47,500	48,300	46,844	42,200	42,200
Light duty trucks	48,600	43,400	50,340	50,000	50,000
Refuse trucks	56,200	82,700	48,111	55,000	55,000
Preventive maintenance compliance rate	100%	100%	100%	100%	100%
<i>Replacement guidelines for:</i>					
Police patrol sedans (miles)	100,000	100,000	100,000	100,000	100,000
Light duty trucks (miles)	85,000	85,000	85,000	85,000	85,000
Refuse trucks (miles)	140,000	140,000	140,000	140,000	140,000

<b>Goal:</b> To utilize equipment and personnel resources in an efficient manner.					
<b>Objective:</b> 1) To maximize to the extent practicable utilization of fleet and mechanic time; and 2) target 68% mechanic productivity as measured by mechanic utilization rate (percent of work hours spent on direct repair and maintenance of vehicles).					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<i>Annual vehicle utilization (miles):</i>					
Police patrol sedans	1,033,770	1,102,775	1,279,044	1,342,996	1,342,996
Light duty trucks	890,188	705,482	905,061	875,000	875,000
Refuse trucks	610,415	616,210	664,256	665,000	665,000
<i>Miles per mechanic hour:</i>					
Police patrol sedans	279	388	266	400	400
Light duty trucks	476	499	430	475	500
Refuse trucks	86	78	89	95	95
Mechanic utilization rate	60.0%	60.0%	62.2%	65.0%	68.0%

*Comparative Benchmark*





The Transportation Division is responsible, through its three sections (Traffic Engineering, Traffic Operations and Transit), for all transportation activities throughout the City. Services provided by this division include: (1) review subdivision plats, site development plans and permits; (2) study and analyze accidents at hazardous locations and conduct traffic engineering studies; (3) provide traffic volume data to general public and other agencies, and provide technical and professional assistance to other divisions; (4) prepare traffic signal, lighting, striping, signing designs, and other plans; (5) provide sight restriction abatements; (6) install and maintain pavement markings, traffic signals, and parking meters; (7) participate in regional transportation/transit planning and programming; (8) plan, coordinate, benchmark and provide transit services; (9) plan and administer bicycle facilities and encouragement projects; and (10) staff the Transportation Commission which provides oversight over the 1996 dedicated transit tax.

### 2001-03 Highlights:

Three full-time Financial Services Clerks I/II have been authorized to provide staffing for an interim passenger facility for transit ticket sales, security and public restrooms along College Avenue. Also approved are one full-time Planner and Principal Civil Engineer to manage planning and engineering functions of the light rail project, as well as one full-time Transit Operations Technician to establish a transit quality assurance program. One full-time Transportation Worker I/II will assist the City's current sign maintenance team with the replacement of traffic signs and the installation of new signs and posts, while the full-time Underground Utilities Coordinator will address an increase in the number of blue stake requests. An infrastructure maintenance management system will provide funding to expand the automated tracking program for streetlight and sign field inventory.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$2,967,625	\$3,377,301	\$3,417,167	\$4,145,462	\$4,620,668
Supplies and Services	13,663,107	18,131,343	18,634,165	21,599,008	23,175,952
Capital Outlay	324,941	78,300	5,250	4,400	0
Internal Services	2,455,335	2,946,209	2,931,011	2,693,663	2,958,383
Contributions	955	42,000	0	30,000	30,000
<b>Expenditure Total</b>	<b>\$19,411,963</b>	<b>\$24,575,153</b>	<b>\$24,987,593</b>	<b>\$28,636,283</b>	<b>\$30,7935,003</b>
<b>Per Capita</b>	<b>\$122.38</b>	<b>\$153.27</b>	<b>\$155.84</b>	<b>\$176.69</b>	<b>\$188.00</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Transportation	35			37			37		
Transit	20	0.5		26	0.5		29	0.5	
<b>Total</b>	<b>55</b>	<b>0.5</b>		<b>63</b>	<b>0.5</b>		<b>66</b>	<b>0.5</b>	

<b>Goal:</b> To improve and ensure the safety and efficiency of the city's transportation system. <b>Objective:</b> 1) To paint 1.8M linear ft. of roadway striping and 625 crosswalks annually; 2) provide quality traffic signing along streets; 3) assure that traffic signals work as designed at all times by annually rewiring 12 intersections, upgrading 10 traffic control cabinets, performing preventative maintenance on all traffic control cabinets twice, and retrofitting signal heads to LED in 80 intersections; and 4) ensure a safe, reliable and energy efficient lighting system by upgrading 400 street lights annually and replacing all structurally deficient street light poles.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Lane lines striped annually (linear feet)	1,753,186	1,800,000	1,755,442	1,800,000	1,800,000
Crosswalks striped	716	625	650	625	625
Develop infrastructure management system**	-	-	10%	55%	35%
Preventative maintenance of street signs	-	6	2	6	6
Intersections upgraded (rewired)	35	12	10	12	12
Traffic control cabinets upgraded** (*global replacement)	-	-	19	*100	20
Traffic control cabinets preventative maintenance	108	182	255	360	360
Light Emitting Diode (LED) retrofits**	105	-	56	80	80
Street light lamp upgrades	350	360	400	400	400
Evaluate structural integrity of streetlights**	-	-	-	181	0
Replace structurally deficient street poles**	-	-	-	200	100

<b>Goal:</b> To effectively manage and evaluate transit service provided through regional or City contracts funded by a dedicated Tempe transit tax. <b>Objective:</b> To efficiently and cost-effectively provide and monitor regional and local fixed route, circulator and dial-a-ride service, and increase bus boardings by 50%.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Total O&M (bus)	\$11,601,236	\$17,038,591	\$15,808,686	\$17,632,024	\$19,395,471
Total O&M (dial-a-ride)	\$1,041,466	\$1,293,348	\$1,191,323	\$1,288,983	\$1,351,113
Vehicle revenue miles (bus)	3,413,873	5,406,378	4,684,845	4,746,292	4,936,561
Vehicle revenue miles (dial-a-ride)	386,772	300,838	228,000	239,400	251,370
O&M per vehicle revenue mile (bus)	\$3.40	\$3.15	\$3.37	\$3.71	\$3.93
O&M per vehicle revenue mile (dial-a-ride)	\$2.69	\$4.30	\$5.23	\$5.38	\$5.37
<i>Boardings per vehicle revenue mile (bus)</i>	<i>1.14</i>	<i>1.50</i>	<i>1.15</i>	<i>1.41</i>	<i>1.56</i>
Boardings per vehicle revenue mile (dial-a-ride)	0.15	0.17	0.22	0.22	0.22
Annual boardings (dial-a-ride)	58,765	51,567	50,702	53,237	55,899

*Comparative Benchmark*

\*\* New Measure

<b>Goal:</b> 1) To attract people to use the transit system; 2) operate a reliable bus system; and 3) operate a reliable dial-a-ride system.					
<b>Objective:</b> 1) To increase bus boardings over prior year by 25%; 2) meet the bus industry standard of 95% of trips on time (minimum); and 3) meet the dial-a-ride industry standard of 85% of trips on time (minimum).					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Annual boardings (bus)	3,907,318	8,100,000	5,370,952	6,713,690	7,720,744
Percent Change	-	107%	(33.7%)	25%	15%
On-time performance (bus)	94%	95%	91%	95%	95%
On-time performance-(dial-a-ride)	89%	90%	86%	85%	85%

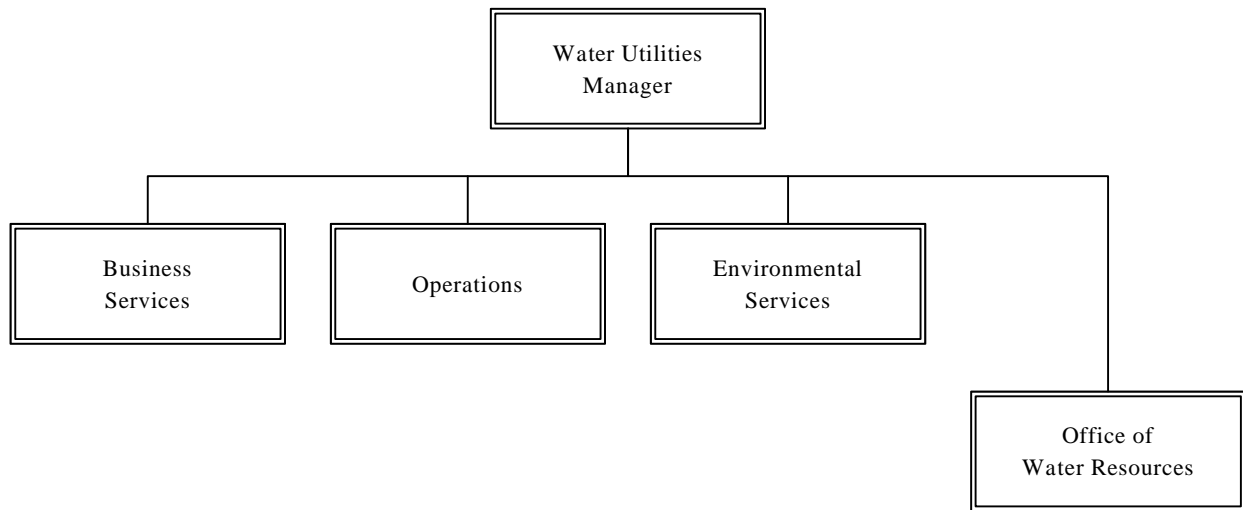
<b>Goal:</b> To provide outstanding customer service to bus and dial-a-ride customers.					
<b>Objective:</b> To meet contract standards by limiting bus service complaints to 25 per 100,000 boardings (maximum) and dial-a-ride service complaints to 3 per 1,000 boardings (maximum).					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Complaints per 100,000 boardings (bus)	28	25	34	25	25
Complaints per 100,000 boardings (dial-a-ride)	4	8	7	8	8

<b>Goal:</b> To provide a transportation system within Tempe and connecting to neighboring communities which is multi-modal and accessible for all residents.					
<b>Objective:</b> 1) To improve the bicycle and accessible pedestrian facilities available, and to encourage their use; and 2) increase attendance at bike events by 25%.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Bikeway miles added	2	5	2	5	5
Attendance at bike events	1,200	1,500	1,800	2,500	3,500
Percent change	-	76%	89%	150%	192%



<b>Goal:</b> To create a physical and social environment that supports mixing of transportation modes through calming efforts.					
<b>Objective:</b> 1) To increase citizens awareness, respect, and responsibility; 2) process all citizens requests for speed humps and achieve an average speed reduction of 10% in areas where speed humps are installed; 3) improve environment for bicyclists and pedestrians; and 4) reduce speed limits on arterial streets through education and public awareness efforts.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Traffic calming/speed hump studies*	-	-	154	160	150
Traffic calming mitigation*	-	-	4	6	6
Arterial street pedestrian crossings designed*	-	-	-	2	2
Arterial street pedestrian crossings constructed*	-	-	-	-	2
Public outreach events held*	-	-	5	8	8
Citizens aware of traffic calming/safety education*	-	-	-	60%	65%
Public support of lower speed limits on arterial streets*	-	-	-	55%	60%

\* New Measure



In December 2000, the City Council approved the establishment of a Water Utilities Department. The new department is made up of elements of the Public Works Department (Water Management Division and Environmental Division), and the Customer Services Division of the former Management Services Department. The Office of the General Manager provides overall utility management, and includes administration of the city's ownership rights in the regional wastewater system, and assigned information technology and legal staff. In addition to the Office of the Manager, the Water Utilities Department consists of four divisions: Business Services, Operations, Environmental Services, and Water Resources.

<b>Expenditures by Type</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Personal Services	\$7,604,929	\$8,489,665	\$7,953,413	\$8,718,023	\$9,220,018
Supplies and Services	9,193,890	12,245,343	11,651,837	12,281,223	12,498,068
Capital Outlay	377,789	199,200	434,852	698,841	419,700
Internal Services	3,714,387	4,090,890	4,189,063	4,671,736	4,902,906
<b>Expenditure Total</b>	<b>\$20,890,995</b>	<b>\$25,025,098</b>	<b>\$24,229,165</b>	<b>\$26,369,823</b>	<b>\$27,040,692</b>
<b>Per Capita</b>	<b>\$131.70</b>	<b>\$156.08</b>	<b>\$151.11</b>	<b>\$162.71</b>	<b>\$163.41</b>

<b>Expenditures by Division</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Water Utilities Administration	\$17,589,144	\$21,538,758	\$21,188,079	\$22,860,595	\$23,498,085
Customer Services	1,407,061	1,345,392	1,184,084	1,536,855	1,461,969
Environmental Services	1,894,790	2,140,948	1,857,002	1,972,373	2,080,638
<b>Total</b>	<b>\$20,890,995</b>	<b>\$25,025,098</b>	<b>\$24,229,165</b>	<b>\$26,369,823</b>	<b>\$27,040,692</b>

<b>Authorized Personnel</b>	<b>2000-01 Revised</b>			<b>2001-02 Budget</b>			<b>2002-03 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Water Utilities Administration	105		.49	105		.49	105		.49
Customer Services	17			17			17		
Environmental Services	22	0.5		22	0.5		22	0.5	
<b>Total</b>	<b>144</b>	<b>0.5</b>	<b>.49</b>	<b>144</b>	<b>0.5</b>	<b>.49</b>	<b>144</b>	<b>0.5</b>	<b>.49</b>



<b>Goal:</b> To provide a safe and adequate domestic water supply to all citizens in Tempe, while at the same time minimizing cost.					
<b>Objective:</b> 1) To monitor increases in water treatment costs for the Johnny G. Martinez and South Tempe Plants; and 2) maintain an O&M per 1,000 gallons treated under seventy cents.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Water Treatment</b>					
Total O&M	\$9,325,508	\$11,689,498	\$11,460,806	\$12,844,211	\$13,152,497
Number of customer accounts	40,811	42,108	40,822	41,000	41,000
Total gallons treated (Million gallons- MG)	18,999	18,120	18,537	18,700	18,810
O&M per 1,000 gallons treated	\$.49	\$.65	\$.62	\$.69	\$.70
Percent Change	-	32.7%	(4.6%)	11.3%	1.4%
O&M per customer account	\$228.50	\$277.61	\$280.75	\$313.27	\$320.79
Percent Change	-	21.5%	1.1%	11.6%	2.4%

<b>Goal:</b> To maintain the water distribution system to assure an adequate supply of drinking water to our customers, and reduce the cost of maintaining the water distribution system.					
<b>Objective:</b> 1) To maintain water distribution costs at FY 2000 level for FY 2001-02 and FY 2002-03; and 2) retain the same response time.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Water Distribution</b>					
Total O&M	\$2,658,470	\$2,824,929	\$2,528,283	\$2,537,697	\$2,690,303
Number of miles of waterline	755	760	760	781	785
O&M per mile of distribution system	\$3,521	\$3,717	\$3,327	\$3,249	\$3,427
Percent Change	-	5.6%	(10.5%)	(2.3%)	5.5%
Service calls responded to within 30 minutes and repaired in 24 hours	100%	100%	100%	100%	100%

<b>Goal:</b> To reduce operating and maintenance costs of the wastewater collection system.					
<b>Objective:</b> To achieve wastewater collection costs that are less than \$5,000.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
<b>Wastewater Collection</b>					
Total O&M	\$2,837,459	\$2,896,669	\$2,729,259	\$2,848,814	\$3,017,053
Miles of mains in collection system	545	549	549	551	553
O&M per mile	\$5,206	\$5,276	\$4,971	\$5,170	\$5,456
Percent Change	-	1.3%	(5.8%)	4.0%	5.5%

*Comparative Benchmark*



The Customer Services Division of the Water Utilities Department is responsible primarily for billing and collecting charges for water, sewer, refuse, and irrigation services. In addition, cashiering and central telephone switchboard services are provided.

### 2001-03 Highlights:

Funding has been approved for the following: 1) modifications to the service counter in the 525 Building; 2) the annual license fee for Banner Software; 3) annual licensing and maintenance fees for hand-held meter reading devices; 4) additional utility billing software to allow for more specialized printing and image transmission; 5) credit card validation software; 6) a laptop PC to enable employees in the field to access the Utility Billing System; 7) the acquisition of Unix Job Scheduler software to facilitate the batching of utility bill mailings; and 8) an interactive voice response to accommodate the increasing volume of telephone inquiries by customers.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$878,735	\$933,710	\$791,868	\$865,294	\$879,746
Supplies and Services	287,261	283,396	307,363	436,325	346,050
Capital Outlay	90,656	18,750	42,850	46,500	31,500
Internal Services	150,409	109,536	42,003	188,736	204,673
<b>Expenditure Total</b>	<b>\$1,407,061</b>	<b>\$1,345,392</b>	<b>\$1,184,084</b>	<b>\$1,536,855</b>	<b>\$1,461,969</b>
<b>Per Capita</b>	<b>\$ 8.87</b>	<b>\$ 8.39</b>	<b>\$7.38</b>	<b>\$9.48</b>	<b>\$8.93</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Customer Services	17			17			17		
<b>Total</b>	<b>17</b>			<b>17</b>			<b>17</b>		



<b>Goal:</b> To provide efficient and timely services to the City's utility customers.					
<b>Objective:</b> 1) To maximize employee productivity as measured by accounts per employee and accounts per Customer Service Representative; and 2) ensure prompt and accurate customer service by keeping the call abandonment rate at no more than 5% and reading water meters accurately 99% of the time.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Utility services accounts	40,811	42,108	40,822	41,000	41,100
Percent change	-	3.2%	(3.1%)	0.4%	0.2%
Utility services accounts per Customer Services employee	2,267	2,339	2,401	2,412	2,418
Percent of calls abandoned	5.0%	5.0%	5.0%	5.0%	5.0%
Percent of water meters read accurately	99%	99%	99%	99%	99%

<b>Goal:</b> To be a low cost provider of utility billing customer services.					
<b>Objective:</b> To minimize the cost of providing the City's utility billing function as measured by cost per account, and cost per employee.					
<b>Measures</b>	<b>1999-00 Actual</b>	<b>2000-01 Budget</b>	<b>2000-01 Revised</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
Cost per utility services account (annual)	\$27.60	\$27.55	\$27.96	\$36.35	\$34.80
Percent change	-	(0.2%)	1.5%	30.0%	(4.3%)
Cost per Customer Services employee	\$62,570	\$64,450	\$67,131	\$87,668	\$84,145





The Environmental Division is responsible for managing the City's comprehensive environmental program. Services provided by this division include: providing educational/awareness information on environmental issues; providing technical assistance to City departments regarding environmental issues and regulations; coordinating investigative, enforcement and public information aspects of environmental incidents including illegal dumping, fires involving hazardous materials, and hazardous material spills; and managing environmental issues related to the superfund site and other properties located in Tempe.

### 2001-03 Highlights:

Funding has been approved for membership in the newly formed Environmental Strategic Alliance Organization.

Expenditures by Type	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Personal Services	\$1,254,210	\$1,295,190	\$1,264,622	\$1,382,174	\$1,468,523
Supplies and Services	422,244	606,766	390,986	392,225	406,855
Capital Outlay	10,182	22,300	22,300	0	0
Internal Services	208,154	216,692	179,094	197,974	205,260
<b>Expenditure Total</b>	<b>\$1,894,790</b>	<b>\$2,140,948</b>	<b>\$1,857,002</b>	<b>\$1,972,373</b>	<b>\$2,080,638</b>
<b>Per Capita</b>	<b>\$11.95</b>	<b>\$13.35</b>	<b>\$11.58</b>	<b>\$12.17</b>	<b>\$12.70</b>

Authorized Personnel	2000-01 Revised			2001-02 Budget			2002-03 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Environmental Management	7			7			7		
Environmental Services	15	.50		15	.50		15	.50	
<b>Total</b>	<b>22</b>	<b>.50</b>		<b>22</b>	<b>.50</b>		<b>22</b>	<b>.50</b>	

<b>Goal:</b> To reduce water pollution by industrial enterprises from discharges into the wastewater collection system. <b>Objective:</b> 1) To permit and monitor each significant industrial user of the wastewater collection system; and 2) reduce significant industrial non-compliance with the Environmental Protection Agency (EPA) and local regulations to 0%.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Total inspections	192	200	187	190	195
Percent of industries inspected					
2 times a year	67%	76%	66%	70%	70%
1 time a year	33%	24%	34%	30%	30%
Percent of industries sampled					
4 times a year	67%	70%	66%	70%	70%
2 times a year	33%	30%	33%	30%	30%
Percent of permitted industries in significant non-compliance	4%	0%	3%	2%	1%

<b>Goal:</b> To develop an ongoing Public Information program as required by the EPA in the 91 <sup>st</sup> Avenue National Pollution Discharge Elimination System (NPDES) permit. <b>Objective:</b> 1) To continue with the informational newsletter for industries operating in Tempe and prepare one for school age children; and 2) develop public information/pollution prevention outreach program for civic groups and local schools.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Total newsletters	3	4	2	3	4
Total brochures	1	4	1	1	2

<b>Goal:</b> To establish a hazardous waste management program for City facilities and operations. <b>Objective:</b> To reduce by 25% the quantity of hazardous waste generated by City facilities.					
Measures	1999-00 Actual	2000-01 Budget	2000-01 Revised	2001-02 Budget	2002-03 Budget
Amount of hazardous waste generated by					
City facilities (kilograms):*	-	-	3,904	2,928	2,196
Recycled hazardous waste*	-	-	1,170	878	659
Destroyed hazardous waste*	-	-	2,734	2,050	1,537
Reduction of hazardous waste generated	-	-	-	25%	25%

\* New Measure





## ***Schedules and Summaries***

This section includes the City's budget resolution, property tax information, budgetary units, and budget concepts along with personnel schedules and miscellaneous statistical data.



	<u>Page</u>
<b>Budget Resolution</b> .....	242
<b>Property Tax Ordinance</b> .....	243
<b>Budget Schedules</b>	
Estimated Revenues and Expenditures Summary.....	245
Tax Levy and Tax Rate Information.....	246
Revenues Other Than Property Taxes.....	247
Other Financing Sources and Interfund Transfers Summary.....	249
Expenditures Within Each Fund Summary.....	250
<b>Budget Basis, Units, and Changes</b>	
Accounting/Budgetary Basis.....	251
Budgetary Units .....	251
Changes to the Budget .....	252
<b>Financial Structure and Organization</b>	
Type of Budgeting .....	253
Level of Revenue and Expenditure Detail .....	253
Relationship Between Budgeting and Accounting.....	253
Fund Structure.....	254
<b>Annexation Progress</b> .....	255
<b>Tempe Community Profile</b> .....	256
<b>Personnel Summary</b> .....	260
<b>Personnel Schedules</b> .....	261
<b>Glossary of Terms</b> .....	294
<b>Index</b> .....	301
<b>OMB Staff</b> .....	305



RESOLUTION NO. 2001.35

A RESOLUTION DETERMINING AND ADOPTING FINAL ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF TEMPE FOR THE FISCAL YEAR BEGINNING JULY 1<sup>st</sup>, 2001, AND ENDING JUNE 30<sup>th</sup>, 2002, DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET FOR THE CITY OF TEMPE FOR SUCH FISCAL YEAR.

WHEREAS, in accordance with the provisions of Title 42, Sections 17101-17104 inclusive, Arizona Revised Statutes, the City Council did, on May 31<sup>st</sup>, 2001, make an estimate of the amounts required to meet the public expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Tempe, Arizona, and

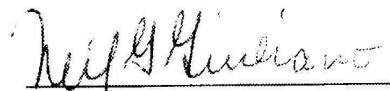
WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on June 20<sup>th</sup>, 2001, at which meeting any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures or tax levy, and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council set a property tax public hearing for July 26<sup>th</sup>, 2001, and set an adoption date of August 9<sup>th</sup>, 2001, to adopt the property tax rate, and

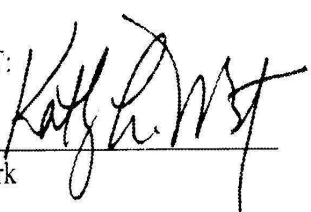
WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

RESOLVED, that the said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced or changed by the same are hereby adopted as the budget of the City of Tempe, Arizona, for the fiscal year 2001-2002.

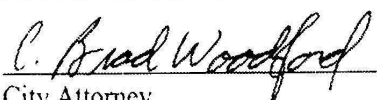
PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 20<sup>th</sup> day of June 2001.

  
Mayor

ATTEST:

  
City Clerk

APPROVED AS TO FORM:

  
City Attorney

  
Financial Services Manager



ORDINANCE NO. 2001.26

AN ORDINANCE LEVYING SEPARATE AMOUNTS  
TO BE RAISED FROM PRIMARY AND SECONDARY PROPERTY  
TAX LEVIES UPON EACH ONE HUNDRED DOLLARS (\$100.00)  
OF THE ASSESSED VALUATION OF PROPERTY SUBJECT TO  
TAXATION WITHIN THE CITY OF TEMPE FOR THE FISCAL  
YEAR ENDING JUNE 30, 2002.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2001-2002 is required to be adopted on or before the third Monday in August.

WHEREAS, the County of Maricopa is the assessing and collecting authority for the City of Tempe.

WHEREAS, Tempe City Charter Section 5.11 allows an ordinance for adoption of the annual budget to be adopted and go into effect immediately.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

Section 1: There is hereby levied on each One Hundred Dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a primary property tax rate, for general and administrative expenses of the City of Tempe. The primary property tax rate shall equal the quotient of the 2000 final primary levy divided by the 2001 current year net assessed value subject to taxation the prior year divided by 100, as determined by the Maricopa County Department of Finance. The formula for this calculation shall be as follows:

$$\frac{\text{2000 Final Primary Levy}}{\text{(2001 Current Year Net Assessed Valuation Subject to Taxation the Prior Year/100)}}$$

Section 2: In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a secondary property tax rate equal to the difference between the maximum allowable primary tax rate, established in Section 1, and \$1.3500.

Section 3: The combined tax rate as set forth in Sections 1 and 2 shall equal \$1.3500 per one hundred dollars (\$100.00) of assessed valuation of all property, real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation.


Section 4: Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Tempe upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

Section 5: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

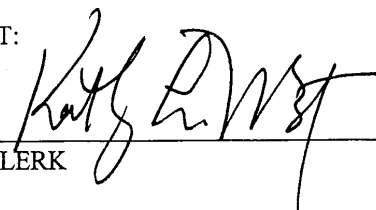
Section 6: This ordinance shall become effective immediately upon adoption.

Section 7: The Clerk of the City is directed to transmit a certified copy of this ordinance to the County Assessor and Board of Supervisors of Maricopa County.

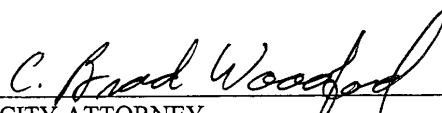
PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE,  
ARIZONA, this 9th day of Aug, 2001.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

  
FINANCIAL SERVICES MANAGER





## Summary Schedule of Estimated Revenues and Expenditures/Expenses

<b>Fund</b>	<b>Adopted Budgeted Expenditures/ Expenses 2000-01</b>	<b>Actual Expenditures/ Expenses 2000-01</b>	<b>Fund Balance/ Retained Earnings 7-1-2001</b>	<b>Direct Property Tax Revenues 2001-02</b>
General Fund	\$118,476,065	\$113,840,091	\$39,207,573	\$6,956,983
Special Revenue	43,787,642	43,667,876	35,336,271	
Debt Service	7,273,799	7,273,799	6,327,442	11,913,038
Capital Projects	67,408,152	61,163,320	4,061,978	
Enterprise	52,631,776	49,457,867	59,930,802	
<b>Total</b>	<b>\$289,577,434</b>	<b>\$275,402,952</b>	<b>\$144,864,066</b>	<b>\$18,870,021</b>

<b>Fund</b>	<b>Estimated Revenues Other than Property Taxes 2001-02</b>	<b>Proceeds From Other Financing Sources 2001-02</b>	<b>Interfund Transfers 2001-02</b>		<b>Total Financial Resources Available 2001-02</b>	<b>Budgeted Expenditures/ Expenses 2001-02</b>
			<b>In</b>	<b>(Out)</b>		
General Fund	\$125,022,100		\$6,375,000	(\$17,718,397)	\$159,843,259	\$125,427,279
Special Revenue	60,106,100		8,943,397	(13,161,597)	91,224,171	42,484,564
Debt Service	654,800		4,500,000	(3,300,000)	20,095,280	11,238,729
Capital Projects		66,182,814	17,610,085		87,854,877	85,541,430
Enterprise	55,775,800		3,300,000	(6,548,488)	112,458,114	54,864,798
<b>TOTAL</b>	<b>\$241,558,800</b>	<b>\$66,182,814</b>	<b>\$40,728,482</b>	<b>(\$40,728,482)</b>	<b>\$471,475,701</b>	<b>\$319,556,800</b>

## Expenditure Limitation Comparison

	<b>2000-01</b>	<b>2001-02</b>
1. Budgeted Expenditures/Expenses	\$289,577,434	\$319,556,800
2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items		
3. Less: Estimated Exclusions*	(127,985,292)	(153,111,757)
4. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation	161,592,142	166,445,043
5. Expenditure Limitation	<b>\$161,592,142</b>	<b>\$166,445,043</b>

\* FY 2001-02 Estimate from the League of Arizona Cities and Towns.



## Summary of Tax Levy and Tax Rate Information

	2000-01 Fiscal Year	Estimated 2001-02 Fiscal Year
1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		\$7,584,435
2. Amount Received from Primary Property Taxation in the 2000-01 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17102(A)(18))	\$0	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	6,799,277	6,956,983
B. Secondary Property Taxes	10,979,413	11,913,038
C. Total Property Tax Levy Amounts	<b>\$17,778,690</b>	<b>\$18,870,021</b>
4. Property Taxes Collected		
A. Primary Property Taxes		
1. 2000-01 Levy	6,799,277	
2. Prior Years' Levies	0	
3. Total Primary Property Taxes	<b>\$6,799,277</b>	
B. Secondary Property Taxes		
1. 2000-01 Levy	10,979,413	
2. Prior Years' Levies	0	
3. Total Secondary Property Taxes	<b>\$10,979,413</b>	
C. Total Property Taxes Collected	<b>\$17,778,690</b>	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	0.5409	0.5320
2. Secondary Property Tax Rate	0.8091	0.8180
3. Total City Tax Rate	<b>\$1.3500</b>	<b>\$1.3500</b>
B. Special District Tax Rates		
Secondary Property Tax Rates-As of the date proposed budget was prepared, the city was operating -0- special assessments districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city.		



## Summary by Fund of Revenues Other Than Property Taxes

Source of Revenues	Estimated Revenues 2000-01	Actual Revenues 2000-01	Estimated Revenues 2001-02
<b>General Fund</b>			
Local taxes			
City Sales Tax	\$64,051,400	\$63,566,000	\$66,744,000
Hotel Bed Tax	1,713,000	1,713,000	1,782,000
Franchise Taxes	1,133,067	1,664,500	1,695,600
Licenses and permits			
Business Licenses	458,800	457,800	480,700
Sales Tax Applications/Renewal	510,000	900,500	669,900
Intergovernmental revenues			
State-Shared	29,805,180	32,350,500	29,219,000
County	4,798,900	5,900,000	5,959,000
Charges for services	6,959,176	6,709,200	6,573,600
Fines and forfeits	4,683,022	4,179,200	4,321,400
Interest on investments	4,500,000	6,272,000	5,307,000
Voluntary contributions			
SRP In-lieu Tax	425,200	435,400	416,700
Miscellaneous revenues	1,615,575	1,769,200	1,853,200
Total General Fund	120,655,215	125,917,300	125,022,100
<b>Special Revenue Funds</b>			
Highway Users Revenue Fund			
Intergovernmental	10,383,600	11,240,100	10,162,600
Maintenance of Effort/Other	1,850,000	-	-
Total Highway Users Revenue Fund	12,233,600	11,240,100	10,162,600
Local Trans. Assistance Fund (LTAF)			
Intergovernmental	925,500	925,500	932,300
Lottery Transfer to Transit	(305,400)	(305,400)	(307,700)
Total LTAF	620,100	620,100	624,600
Transit Fund			
Transit Tax	27,235,300	27,609,500	29,193,000
Lottery Transfer In	305,400	305,400	307,700
ASU-Flash Transit	279,000	308,400	345,000
Interest Earned - Trust Invest.	180,000	2,518,000	2,242,000
Miscellaneous Revenue	289,882	2,234,000	2,943,100
Total Transit Fund	28,289,582	32,975,300	35,030,800



**Summary by Fund of Revenues Other Than Property Taxes**

<b>Source of Revenues</b>	<b>Estimated Revenues 2000-01</b>	<b>Actual Revenues 2000-01</b>	<b>Estimated Revenues 2001-02</b>
<b>Rio Salado Fund</b>			
City Sales Tax	649,900	580,000	611,600
Miscellaneous Revenue	135,700	571,500	438,700
Total Rio Salado Fund	785,600	1,151,500	1,050,300
Performing Arts Fund			
Performing Arts Tax/Interest Income	-	1,928,000	5,604,000
Total Performing Arts Fund	-	1,928,000	5,604,000
Community Devel. Block Grant (CDBG)	2,421,085	2,967,700	2,637,600
Section 8 Housing	5,138,912	4,935,700	4,996,200
Total CDBG/Section 8	7,559,997	7,903,400	7,633,800
Total Special Revenue Funds	49,488,879	55,818,400	60,106,100
<b>Debt Service Fund</b>			
SRP In-Lieu Tax	684,800	684,800	654,800
Interest Earned-Trust Invest.	11,000	-	-
Total Debt Service Fund	695,800	684,800	654,800
<b>Enterprise Funds</b>			
Golf Fund	2,297,000	2,108,500	2,187,800
Water/Wastewater Fund	41,628,567	43,517,600	43,127,700
Sanitation Fund	9,422,500	10,349,700	10,460,300
Total Enterprise Funds	53,348,067	55,975,800	55,775,800
<b>Carryover Funding</b>	11,286,602	-	-
<b>TOTAL ALL FUNDS</b>	<b>\$235,474,563</b>	<b>\$238,396,300</b>	<b>\$241,558,800</b>



## Summary by Fund of Other Financing Sources and Interfund Transfers

Fund	Proceeds From Other Financing Sources 2001-02	Interfund Transfers 2001-02	
		In	Out
<b>General Fund</b>		\$6,375,000	\$(17,718,397)
<b>Special Revenue Funds</b>			
HURF/LTAF		1,850,000	(4,800,000)
Transit		-	(1,268,200)
Rio Salado		7,093,397	(7,093,397)
Total Special Revenue Funds	-	8,943,397	(13,161,597)
<b>Debt Service Fund</b>			
Total Debt Service Fund		4,500,000	(3,300,000)
<b>Capital Projects Funds</b>		17,610,085	
Stadium Funding	13,700,239		
Bond/Note Proceeds	25,900,000		
CIP-Other Funding	26,582,575		
Total Capital Projects Funds	66,182,814	17,610,085	-
<b>Enterprise Funds</b>			
Water/Wastewater Fund		3,300,000	(5,998,488)
Sanitation Fund			
Golf Fund			(550,000)
Total Enterprise Funds	-	3,300,000	(6,548,488)
<b>Total All Funds</b>	<b>\$66,182,814</b>	<b>\$40,728,482</b>	<b>(\$40,728,482)</b>



## Summary by Department of Expenditures/Expenses Within Each Fund

	Adopted Budgeted Expenditures/ Expenses 2000-01	Expenditure/ Expense Adjustments Approved 2000-01	Revised Expenditures/ Expenses 2000-01	Budgeted Expenditures/ Expenses 2001-02
<b>General Fund</b>				
Mayor and Council	424,974	-	424,851	523,001
City Manager	1,822,369	50,420	1,872,789	1,863,093
City Clerk	447,597	-	443,121	717,900
City Court	2,984,990	57,530	3,012,095	3,167,436
Human Resources	1,945,016	447,969	2,392,985	3,055,512
City Attorney	2,094,735	486,000	2,580,735	2,521,196
Financial Services	4,542,104	47,500	4,543,708	5,227,487
Development Services	6,641,912	349,383	6,921,382	8,271,641
Police	40,122,449	-	40,122,449	43,851,476
Fire	13,291,480	58,501	13,349,981	14,854,413
Community Services	16,563,095	830,156	17,219,318	19,151,270
Public Works-General	12,393,951	200,130	12,468,140	12,901,126
Tempe Learning Center	227,306	283,000	510,306	674,709
City Communications	1,288,584	82,000	1,370,584	1,436,347
Econ. Development	496,768	25,000	516,550	560,087
Strategic Planning	-	165,000	165,000	221,941
Management Support	-	116,000	116,000	135,795
Non-Departmental	5,194,491	615,605	5,810,096	3,597,440
Contingencies	2,544,566	(2,444,799)	-	2,695,409
Carryover Funding	5,449,678	(1,539,475)	-	-
<b>Total General Fund</b>	118,476,065	(170,080)	113,840,090	125,427,279
<b>Special Revenue Funds</b>				
Highway Users Revenue Fund				
Streets	13,147,909	254,080	13,267,969	8,135,751
Carryover Funding	401,739	(180,000)	-	-
<b>Total HURF</b>	13,549,648	74,080	13,267,969	8,135,751
Transit	19,052,568	1,000,000	19,852,042	25,044,850
CDBG	2,421,084	-	2,421,084	2,637,608
Section 8 Housing	5,138,912	-	5,138,912	4,996,216
Rio Salado	1,283,948	596,000	1,861,149	1,353,091
Performing Arts Center		128,000	126,720	317,048
Carryover Funding	2,341,482	(1,500,000)	-	-
<b>Total Special Rev. Fund</b>	43,787,642	298,080	42,667,876	42,484,564
<b>Debt Service Fund</b>				
Debt Service	7,273,799	-	7,273,799	11,238,729
Total Debt Service Fund	7,273,799	-	7,273,799	11,238,729
<b>Capital Projects Funds</b>				
All Capital Projects	67,408,152	-	61,163,320	85,541,430
<b>Total Capital Proj. Funds</b>	67,408,152	-	61,163,320	85,541,430
<b>Enterprise Funds</b>				
Water/Wastewater	37,317,093	73,000	37,016,192	42,021,240
Golf	2,137,226	50,000	2,165,354	2,327,698
Sanitation	10,380,122	-	10,276,321	10,515,860
Carryover Funding	2,797,335	(123,000)	-	-
Total Enterprise Funds	52,631,776	-	49,457,867	54,864,798
<b>Total All Funds</b>	<b>\$289,577,434</b>	<b>\$128,000</b>	<b>\$274,402,952</b>	<b>\$319,556,800</b>



The City of Tempe operating budget is legally adopted by Council resolution each fiscal year on a modified accrual basis, consistent with Generally Accepted Accounting Principles (GAAP) except that a) encumbrances are considered to be expenditures chargeable to appropriations, b) no depreciation is budgeted in enterprise funds, c) investments in supply inventories and assets restricted for self-insurance purposes are not considered to be appropriable, d) revenues accruing to sinking funds are not appropriable, and e) contributions into sinking funds are not budgeted.

- **Funds (Fund Accounting)**

The City's Operating Budget is organized by funds in conformity with GAAP with guidelines established by the Governmental Accounting Standards Board (GASB). The accounts of the City are organized on the basis of funds, or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. With this account structure, the revenues and expenditures/expenses are budgeted and approved prior to the beginning of each fiscal year by a resolution passed by the City Council.

The various funds are grouped by two types, governmental fund and proprietary fund types. Governmental funds are those through which most governmental functions of the City are financed and include the General Fund, Debt Service Fund, Special Revenue Funds, and Capital Project Funds. Proprietary funds are used to account for the City's organizations and activities which are similar to those often found in the private sector. The Enterprise Funds are the City's proprietary funds and include the Water/Wastewater, Sanitation, and Golf Funds. The Comprehensive Annual Financial Report includes the combined financial statements of all funds.

- **Programs**

Presentation of the operating budget is also structured by programs which delineate budget expenditures in terms of broad goals and objectives. Major programs include 1) General Services, 2) Development Services, 3) Public Safety, 4) Environmental Health, 5) Community Services, and 6) Transportation.

Programs may transcend specific fund or departmental boundaries in that a program encompasses all associated activities, regardless of fund or department, directed toward the attainment of a general goal or objective. The relationship between programs and funds is presented in summary form in the Summaries Budget section as is their relation to the Departments and Divisions engaged in the pursuit of the respective goals and objectives.

- **Departments**

Finally, the Performance Budget section of the operating budget illustrates the distribution of budget appropriations along the major organization units of City departments and their divisions.



- **Mid-Year Program/Personnel Adjustment Request**

Should the need arise for additional personnel or program enhancements during the fiscal year to meet some unforeseen need, a mid-year program/personnel request is submitted to Management and Budget for a needs assessment and fiscal impact review. If after evaluation the request is approved and involves either additional personnel or the abolition of a position(s), the request is forwarded to either the Council Personnel or Finance Committee with recommended action.

In the event of an emergency, the Council may seek permission from the State Board of Tax Appeals (previously State Tax Commission) to exceed the adopted budget (Section 5.09, City of Tempe Charter).

- **Budget Transfers**

The department should process a budget transfer request form anytime a shortfall is anticipated in a departmental subtotal budget. Budget transfers are no longer necessary to address a shortfall within summary account groups as long as sufficient monies are available in the subtotal departmental budget. The subtotal budget includes salaries and wages, fringe benefits, materials and supplies, fees and services, travel and other expenses, contributions, and capital outlay, and excludes internal services.

Only as a last resort are contingency monies used to fund a shortfall. Alternative courses of action should be sought before contingency monies will be considered. Purchase orders and requisitions will be held until the budget shortfall is addressed.

- **Transfer of Appropriation**

At any time during the fiscal year the Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office, or agency. Upon written request by the Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another (Section 5.08, City of Tempe Charter).

- **Permission to Exceed Budget**





- **Types of Budgeting**

Two separate budgets are adopted at the aggregate level for both the Operating and Capital Improvements Program and are then presented in program budget, performance and line item form. The program budget portrays total and per capita expenditures along six broad programs or functions, including General Services, Development Services, Public Safety, Environmental Health, Community Services, and Transportation. This budget information is presented in the Budget Summaries section of the Biennial Budget. The performance budget focuses on departmental and divisional goals and objectives. Benchmark and other workload data are collected in order to assess the effectiveness and efficiency of services. This information is published in the performance budget section of our Biennial Budget. Finally, the line-item budget lists dollar amounts budgeted for each cost center and expenditure category and is published separately.

- **Level of Revenue and Expenditure Detail**

Revenues are presented at several levels within the revenue information section of the Biennial Budget. Revenues are given by fund type (General Governmental, Special Revenue, and Enterprise), by revenue category, and by source. Additionally, all key revenues are addressed in terms of a ten year history, underlying assumptions, and major influences with graphic illustration of the trends to facilitate review of the revenue patterns. Summary schedules of estimated revenues are also presented in the Schedules and Summaries section of the Biennial Budget. Expenditures are presented at several levels of detail including information by line-item, organizational unit performance, program, and fund. Line-item detail of expenditures is given in the Biennial Line-Item Budget. Performance, program, and fund level expenditure data are presented in the Biennial Budget.

- **Relationship Between Budgeting and**

### **Accounting**

This budget is adopted on a basis consistent with GAAP, except for certain items which are adjusted on the City's accounting system at fiscal year end. During the year, the City's accounting system is maintained on the same basis as the adopted budget. This enables departmental budgets to be easily monitored via accounting system reports on a monthly basis.

The major differences between this adopted budget and GAAP for governmental funds are: a) encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP); b) certain revenues and expenditures, (e.g., compensated absences) not recognized for budgetary purposes are accrued (GAAP); c) supply inventory and self-insurance contributions are recognized as expenditures for budgetary purposes only. Enterprise Fund differences consist of the following: a) encumbrances are recorded as the equivalent of expenses (budget basis) as opposed to an expense of the following accounting period (GAAP); b) certain items, e.g., principal expense and capital outlay, are recorded as expenditures for budgetary purposes as opposed to adjustments of the appropriate balance sheet accounts (GAAP); and c) depreciation is recorded as an expense (GAAP) and not recognized for budgetary purposes.



- **Governmental Funds**

**Capital Projects Funds:** Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

**Debt Service Fund:** Debt Service Funds are set up to receive dedicated revenues used to make principal and interest payments on City debt. They are used to account for the accumulation of resources and the payment of general obligation and special assessment debt principal, interest and related costs, except the debt service accounted for in the Special Revenue Funds and Enterprise Funds.

**General Fund:** The General Fund is the general operating fund of the City. It is used to account for all activities of the City not accounted for in some other fund.

**Special Revenue Funds:** Special Revenue Funds are established to account for legally restricted funding. Our Special Revenue Funds include the Performing Arts Fund, the Highway User Fund, the Local Transportation Assistance Fund, the Transit Fund, the Capital Development Funds, and the Housing Assistance Fund.

- **Proprietary Funds**

**Enterprise Funds:** Enterprise Funds are used to account for operations including debt service that are: (a) financed and operated in a manner similar to private businesses, where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenues earned, expenses incurred, and/or

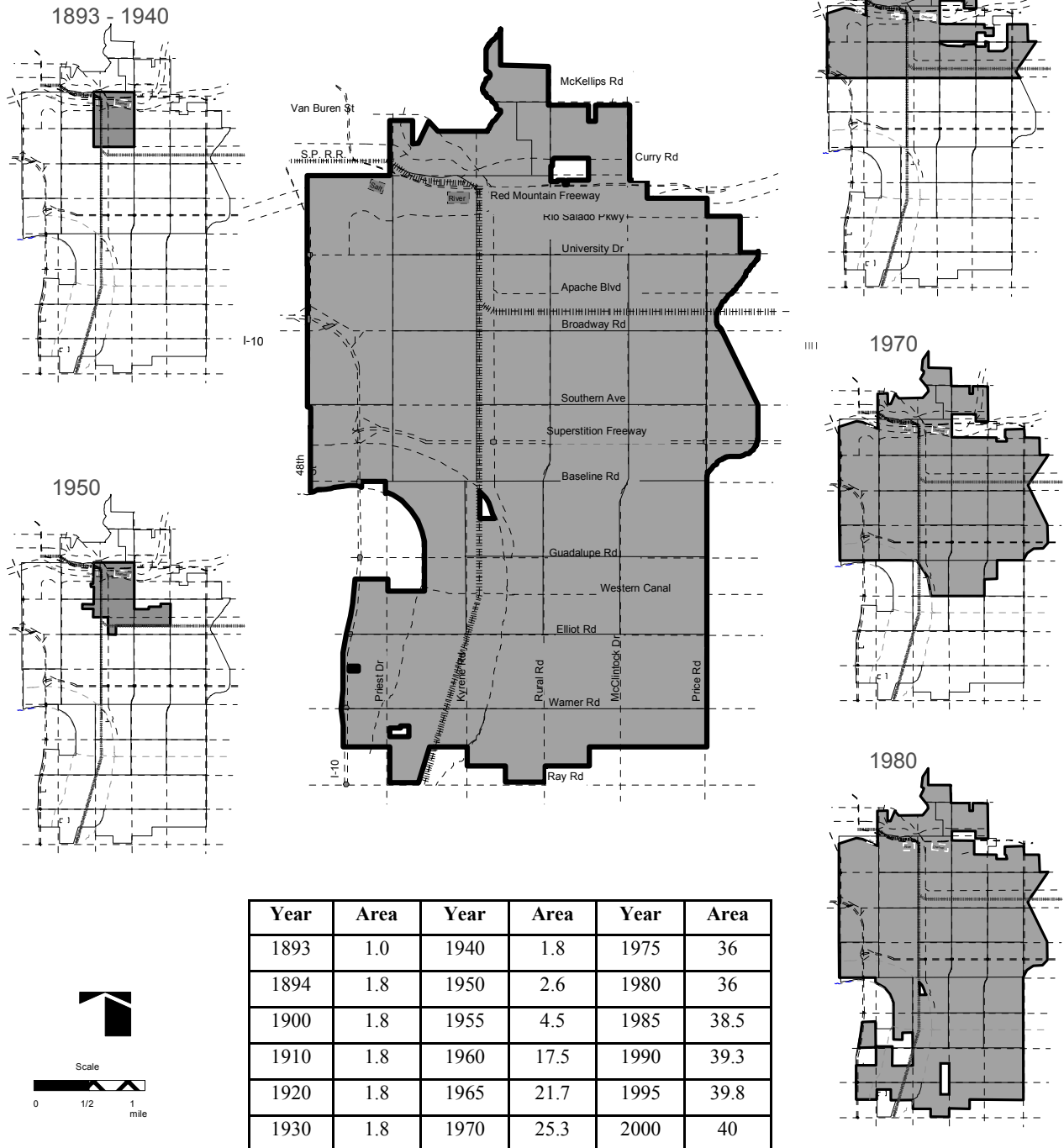
net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Our Enterprise Funds include the Water and Wastewater Fund, the Sanitation Fund, and the Golf Fund.

- **Fiduciary Funds**

**Trust and Agency:** Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include the Nonexpendable Pension Trust and Deferred Compensation Agency Fund.



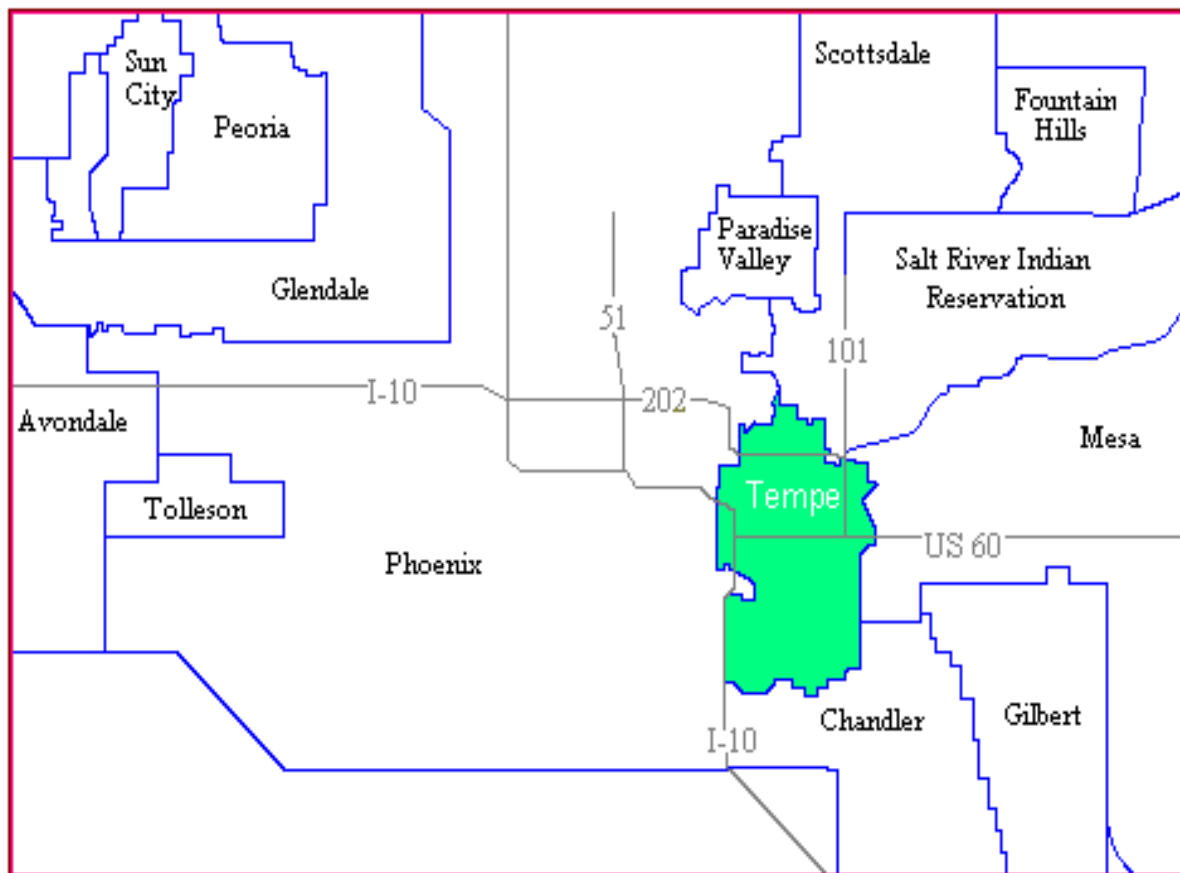
## 2000 City Limits





**Date of Incorporation - November 26, 1894**  
**Date Charter Adopted - October 19, 1964**  
**Form of Government - Council - Manager**

Tempe is home to Arizona State University, Fiesta Bowl, the Arizona Cardinals and the California Angels' spring training. As the amount of undeveloped land became increasingly scarce, the population growth of the late 70's and early 80's slowed somewhat. Nevertheless, development remains strong. Much of which is in the form of reinvestment, the continued growth reflects strong confidence in Tempe's economic vitality. Tempe has a younger age population than surrounding valley communities and a population whose educational attainment exceeds both valley and state norms with 71% of the population having at least some college and 37% with four or more years of college. Tempe is largely a middle income community with per capita and family median income exceeding county, state, and national norms. Diversity is evident in the wide range of businesses and industries, from small boutiques along revitalized Mill Avenue to manufacturing firms, light industry and corporate offices. The 2000 Citizen Satisfaction survey revealed that 97% of residents were satisfied with the quality of life in Tempe.





## DEMOGRAPHICS

### Area– Square Miles <sup>(1)</sup>

2000	40.0	1992	39.3
1999	39.8	1991	39.3
1998	39.8	1990	39.3
1997	39.8	1980	38.1
1996	39.8	1970	25.3
1995	39.8	1960	17.5
1994	39.8	1950	2.7
1993	39.6	1894	1.8

### Population <sup>(2)</sup>

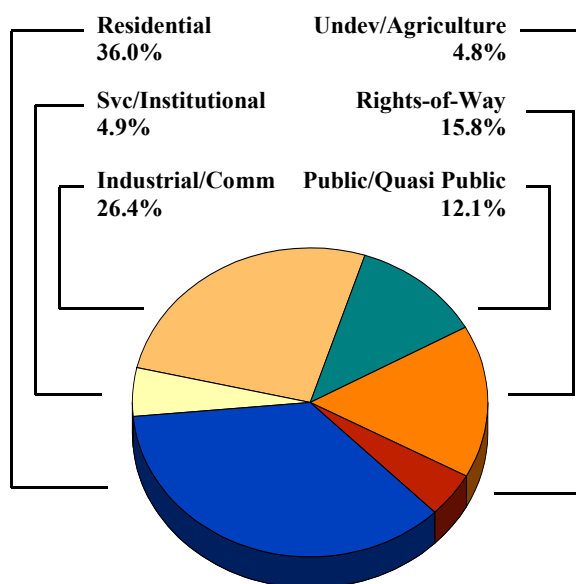
2000	U.S. Census	158,625
1995	Interim Census	153,821
1990	U.S. Census	142,165
1985	Interim Census	132,942
1980	U.S. Census	106,743
1970		63,550
1960		24,897
1950		7,906

### Building Permits <sup>(3)</sup>

	Number	Value (\$000)
2000-01	1,417	\$262,266
1999-00	1,717	317,143
1998-99	1,905	304,600
1997-98	2,533	492,419
1996-97	1,984	406,821
1995-96	2,038	248,476
1994-95	2,291	275,409
1993-94	2,298	265,148
1992-93	1,307	87,841
1991-92	1,294	147,168

### Land Use (1999)(%)<sup>(4)</sup>

Residential	36.0
Undeveloped/Agricultural	4.8
Rights-of-Way	15.8
Public/Quasi Public	12.1
Industrial/Commercial	26.4
Service/Institutional	4.9



### Elections <sup>(5)</sup>

Registered voters	Primary	65,530
	General	65,976
Voter Turnout	Primary	16,513
	General	15,407
% Voting	Primary	25.20%
	General	23.35%

## DEMOGRAPHICS, continued

### School Registration <sup>(6)</sup>

Tempe Elementary District	12,710
Tempe Union High School District	13,300
ASU University (Fall 2000)	44,126

### Education Attainment (%) <sup>(7)</sup>

4 years or more College	36.8
1-3 years College	34.2
High School degree	18.9
Less than High School degree	10.1

### Racial Composition (%) <sup>(8)</sup>

White	69.7
Hispanic	17.9
Asian	4.7
Black	3.5
Other	4.2

### Gender/Age Composition (%) <sup>(8)</sup>

Male	51.7
Female	48.3
Under 5 years	5.7
5-14 years	10.8
15-19 years	9.2
20-24 years	15.4
25-44 years	33.2
45-64 years	18.5
65+ years	7.2

### Household Income (1995)(%) <sup>(9)</sup>

Less than \$15,000	19.0
\$15,000 -\$29,999	22.0
\$30,000-\$39,999	15.0
\$40,000-\$59,999	22.0
\$50,000+	22.0

Median Household Income \$36,049

### Occupational Composition (%) <sup>(10)</sup>

Technical, Sales, Admin. Support	34.4
Managerial and Professional	34.6
Service	12.7
Operators, Fabricators, Laborers	5.0
Precision Prod., Craft & Repair	12.3
Farming, Forestry and Fishing	1.0

### Industrial Composition (%) <sup>(10)</sup>

Health, Education & Legal	18.6
Wholesale/Retail Trade	21.3
Manufacturing	15.9
Personal & Business Services	11.1
Finance, Insurance & Real Estate	7.6
Transportation & Communications	8.5
Construction	4.4
Public Administration	11.3
Agriculture, Mining, etc.	1.3

## ECONOMICS

### Property Tax Rate <sup>(11)</sup>

Primary	0.53
Secondary	0.82
Total	<u>\$1.35</u>

City Sales Tax 1.8%

### Bond Rating

Fitch	AAA
Standard and Poor's	AA+
Moody's	Aa1

## SERVICE STATISTICS

### Police <sup>(12)</sup>

Sworn Personnel	337
Non-Sworn Personnel	169
Total	<u>506</u>

Avg. Emergency Response Time (min.)	5:30
Crime Index (CY 2000)	15,246
Crime Rate (per 100,000)	9,353

### Fire

Sworn Personnel	137
Non-Sworn Personnel	21
Total	<u>155</u>

Fire Stations 6

Avg. Emergency Response Time (min.)	5:12
Response to emergency medical incidents	12,600
Total emergency response incidents	16,700

### Sanitation

Residential Accounts Serviced	34,612
Commercial Accounts Serviced	1,950
Solid Waste Collected (tons)	147,000

### Parks/Golf Courses

Developed Parks	46
Parks Acres Maintained	1,074
Municipal Golf Courses:	2
Rounds of Play:	
Ken McDonald (18 holes)	90,000
Rolling Hills (9 holes)	113,000

### Water/Wastewater

Active Accounts Serviced	40,822
Water Treated and Distributed	
(billions of gallons)	18.5
Sanitary Sewers (miles)	549

**Source:** (1) Area-Square Miles, City of Tempe-Development Services; (2) Population, Maricopa Association of Governments; (3) Building Permits, City of Tempe-Development Services; (4) Land Use, City of Tempe-Development Services; (5) Elections, City of Tempe-City Clerk's Office; (6) School Registration, Tempe Elementary & High School District, ASU; (7) Education Attainment, 1990 U.S. Census; (8) Racial, Gender/Age Composition, 2000 U.S. Census; (9) Household Income, 1995 Special Census; (10) Occupational, Industrial Composition, 1990 U.S. Census; (11) Property Tax Rate, City Sales Tax, Bond Rating, City of Tempe-Financial Services; (12) Police, Fire, Sanitation, Parks/Golf Courses, Water/Wastewater, City of Tempe Biennial Budget-Performance Section.

## Personnel Summary



Department	1999-00 Actual			2000-01 Budget			2001-02 Budget			2002-03 Budget		
	Full-FTE	Perm FTE	Temp FTE	Full-Time	Perm FTE	Temp FTE	Full-Time	Perm FTE	Temp FTE	Full-Time	Perm FTE	Temp FTE
Mayor and Council	7			7			7			7		
City Manager	13		1.99	13		1.99	13		1.49	13		1.49
Internal Audit	2	0.60		2	0.60		3			3		
Community Relations	9		1.34	9		1.34	8		1.34	8		1.34
Neighborhood Program	2			3			3			3		
Government Relations	3			2			3			3		
City Clerk	5		0.58	5		0.58	5		0.58	5		0.58
City Court	33		4.20	34		4.20	34		4.20	34		4.20
City Attorney	23	0.50	1.11	24	0.50	0.62	27	0.50	0.62	27	0.50	0.62
Financial Services	184	0.50	3.39	185	0.50	2.24	58	0.50	1.25	59	0.50	1.25
Economic Development	2			2			3			3		
Rio Salado	11		0.49	11		0.49	9		0.49	9		0.49
Strategic Planning							2			2		
Human Resources	18	1.00		18	1.00		19	0.50		19	0.50	
Tempe Learning Center	2			2			3			3		
Information Technology							82			82		
Development Services	83		9.86	83		9.86	105	1.00	1.86	105	1.00	1.86
Police	480	2.50	7.42	496	2.00	6.95	506	1.00	6.25	507	1.00	6.25
Fire	155	0.50	0.98	157	0.50		158	0.50		158	0.50	
Community Services	119	21.15	147.24	125	21.65	150.24	138	33.65	144.83	139	34.65	144.83
Water Utilities							144	0.50	0.49	144	0.50	0.49
Public Works												
Admin & Engineering	44		0.49	42		0.49	46		0.49	46		0.49
Environmental	22	0.50		22	0.50							
Field Services	251	1.00	8.69	251	1.50	8.69	288	1.50	9.19	289	1.50	9.19
Transportation	49	0.50		54	0.50		63	0.50		66	0.50	
Water Management	111		0.49	110		0.49						
Total Public Works	477	2.00	9.67	479	2.50	9.67	397	2.00	9.68	401	2.00	9.68
Sub Total	1,628	28.75	188.27	1,657	29.25	188.18	1,727	39.65	173.08	1,734	40.65	173.08
<b>Total Personnel</b>	<b>1,845.02</b>			<b>1,874.43</b>			<b>1,939.73</b>			<b>1,947.73</b>		

The number of full-time employees for FY 2001-02 totals 1,939.73 full-time equivalents (FTE), including 1,727 full-time, 39.65 permanent full-time equivalents, and 173.08 temporary full-time equivalent employees. This total translates to a 3.5% increase over the 1,874.43 full-time equivalents budgeted in FY 2000-01, and a 5.1% increase over the 1,845.02 full-time equivalent employees in FY 1999-00. The number of employees for FY 2002-03 totals 1,947.73 full-time equivalents, including 1,734 full-time, 40.65 permanent full-time equivalents, and 173.08 temporary full-time equivalents representing a 0.4% increase over FY 2001-02.

Public Works and Police account for over 47% of the total work force in both fiscal years, representing 408.68 and 513.25 full-time equivalents in FY 2001-02, and 412.68 and 514.25 full-time equivalents in FY 2002-03, respectively.



# Personnel Schedules



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1110	<b>Mayor &amp; Council</b>					
	Mayor	99	1	1	1	1
	Council Member	98	6	6	6	6
	Total Full-Time		7	7	7	7
	<b>Mayor &amp; Council Total Full-Time</b>		<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
1210	<b>City Manager</b>					
	Administration					
	City Manager	119	1	1	1	1
	Chief Financial Officer	201	0	1	1	1
	Chief of Staff	201	0	1	1	1
	Assistant to City Manager	200	0	1	1	1
	Deputy City Manager	117	2	0	0	0
	Executive Assistant to the Mayor & City Council	39	1	0	0	0
	Mayor's Chief of Staff	39	1	1	1	1
	Executive Assistant	37	1	1	1	1
	Executive Assistant to the City Manager/Mayor II	30	0	0	2	2
	Mayoral/Council Aide II	30	0	0	1	1
	Mayoral/Council Aide I	28	0	0	2	2
	Mayoral Aide	26	1	1	1	1
	City Council Aide	26	2	3	0	0
	Management Assistant I	26	4	2	0	0
	Management Intern	15	0	1	1	1
	Administrative Intern*		1.5	1.0	1.0	1.0
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
	Total Temp FTE *		<b>1.99</b>	<b>1.49</b>	<b>1.49</b>	<b>1.49</b>
	<b>City Manager Department Total Full-Time</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
	<b>City Manager Department Total Temp FTE*</b>		<b>1.99</b>	<b>1.49</b>	<b>1.49</b>	<b>1.49</b>
1213	<b>Internal Audit</b>					
	Internal Audit Director	200	1	1	1	1
	Internal Auditor	36	1	2	2	2
	Auditor **		0.6	0.0	0.0	0.0
	<b>Internal Audit Division Total Full-Time</b>		<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>
	<b>Internal Audit Division Total Perm FTE**</b>		<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
1214	<b>Community Relations</b>					
	Communications Director	200	1	1	1	1
	Media Services Coordinator	37	1	1	1	1
	Communications Coordinator	36	0	1	2	2
	Public Information Officer	35	1	1	0	0
	Public Relations and Events Coordinator	31	1	0	0	0



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
	Media Services Producer I/II+	29	2	2	2	2
	Graphic Designer I/II+	29	1	1	1	1
	Graphic Designer	25	1	0	0	0
	Administrative Assistant II	16	1	1	1	1
	Media Services Assistant *		0.19	0.19	0.19	0.19
	Media Services Intern*		0.66	0.66	0.66	0.66
	COE*		0.49	0.49	0.49	0.49
	<b>Community Relations Division Total Full-Time</b>		<b>9</b>	<b>8</b>	<b>8</b>	<b>8</b>
	<b>Community Relations Division Total Temp FTE*</b>		<b>1.34</b>	<b>1.34</b>	<b>1.34</b>	<b>1.34</b>
1215	Neighborhood Program					
	Neighborhood Program Administrator	200	1	1	1	1
	Management Assistant II	35	1	2	2	2
	<b>Neighborhood Program Division Total Full-Time</b>		<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>
1216	Government Relations					
	Government Relations Director	200	1	1	1	1
	Aviation Coordinator	40	1	1	1	1
	Management Assistant I/II+	35	1	1	1	1
	<b>Government Relations Division Total Full-Time</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
1310	<b>CITY CLERK</b>					
	City Clerk	107	1	1	1	1
	Deputy City Clerk	28	1	1	1	1
	Executive Assistant	26	1	1	1	1
	Records Specialist	14	1	1	1	1
	Micrographics Operator I/II+	8	1	1	1	1
	COE *		0.58	0.58	0.58	0.58
	Total Full-Time		5	5	5	5
	Total Temp FTE *		0.58	0.58	0.58	0.58
	<b>City Clerk Department Total Full-Time</b>		<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
	<b>City Clerk Department Total Temp FTE*</b>		<b>0.58</b>	<b>0.58</b>	<b>0.58</b>	<b>0.58</b>
1410	<b>CITY COURT</b>					
	Administration/Judicial Division					
	Presiding City Judge	114	1	1	1	1
	City Judge	54	2	2	2	2
	Court Manager	54	1	1	1	1
	Deputy Court Manager	45	2	2	2	2
	Hearing Officer	45	2	2	2	2
	Executive Assistant	26	1	1	1	1
	Total Full-Time		9	9	9	9



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1411	Criminal Division					
	Court Services Supervisor	27	2	2	2	2
	Court Services Specialist I/II+	16	8	8	8	8
	COE*		2.1	2.1	2.1	2.1
	Total Full-Time		10	10	10	10
	Total Temp FTE*		2.1	2.1	2.1	2.1
1412	Civil Division					
	Court Services Supervisor	27	3	3	3	3
	Court Services Specialist I/II+	16	11	12	12	12
	COE*		2.1	2.1	2.1	2.1
	Total Full-Time		14	15	15	15
	Total Temp FTE*		2.1	2.1	2.1	2.1
	<b>City Court Department Total Full-Time</b>		<b>33</b>	<b>34</b>	<b>34</b>	<b>34</b>
	<b>City Court Department Total Temp FTE*</b>		<b>4.2</b>	<b>4.2</b>	<b>4.2</b>	<b>4.2</b>
1710	<b>CITY ATTORNEY</b>					
	Legal Services					
	City Attorney	114	1	1	1	1
	Deputy City Attorney	60	1	1	1	1
	Assistant City Attorney	300	4	4	4	4
	City Prosecutor	54	0	0	1	1
	Senior Prosecutor	50	1	1	1	1
	Prosecutor I/II+	40	5	6	5	5
	Legal Executive Assistant	27	1	1	1	1
	Paralegal II+	28	0	0	1	1
	Paralegal I+	24	2	2	2	2
	<i>(1 position 60% funded by General Fund/40% by Victim's Rights Grants)</i>					
	Legal Specialist	19	1	1	1	1
	Senior Legal Assistant	18	0	1	1	1
	Legal Assistant	16	3	2	3	3
	Arraignment Specialist	16	0	0	1	1
	Administrative Assistant I	10	1	2	1	1
	Paralegal**		0.5	0.5	0.5	0.5
	Law Intern*		0.62	0.62	0.62	0.62
	COE*		0.49	0	0	0
	Total Full-Time		20.0	22.0	24.0	24.0
	Total Perm FTE**		0.5	0.5	0.5	0.5
	Total Temp FTE*		1.11	0.62	0.62	0.62



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3115	City Attorney/Water					
	City Attorney I/II+	50	2	2	2	2
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		3	3	3	3
	<b>City Attorney Department Total Full-Time</b>		<b>23.0</b>	<b>25.0</b>	<b>27.0</b>	<b>27.0</b>
	<b>City Attorney Department Total Perm FTE**</b>		<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
	<b>City Attorney Department Total Temp FTE*</b>		<b>1.11</b>	<b>0.62</b>	<b>0.62</b>	<b>0.62</b>
	<b>FINANCIAL SERVICES</b>					
1810	Administration					
	Financial Services Director	200	1	1	1	1
	Asst. Financial Services Director	51	1	1	1	1
	Contract Administrator	31	0	1	0	0
	Executive Assistant	26	2	1	1	1
	Administrative Assistant II	16	0	1	1	1
	Total Full-Time		4	5	4	4
1812	Budget					
	Budget Manager	46	1	1	1	1
	Budget and Research Analyst I/II+	36	3	3	3	3
	Total Full-Time		4	4	4	4
1821	Risk Management					
	Risk Manager	44	1	1	1	1
	Safety Officer	33	1	1	1	1
	Claims Officer - Liability	33	1	1	1	1
	Industrial Hygienist	33	1	1	1	1
	Workers Compensation Rep**	15	0.5	0.5	0.5	0.5
	<i>(Funded by Risk Management Fund 26)</i>					
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.5	0.5	0.5	0.5
1831	Accounting					
	Accounting Manager	44	1	1	1	1
	Accounting Supervisor	38	2	2	2	2
	Financial Applications Analyst	38	0	0	1	1
	Cash Management Specialist	34	1	1	1	1
	Accountant	31	2	2	2	2
	Senior Financial Services Technician	21	1	1	1	1
	Financial Services Technician I/II+	18	6	6	6	6
	Accounting Assistant*		0.63	0.63	0.63	0.63
	Total Full-Time		13.0	13.0	14.0	14.0
	Total Temp FTE*		0.63	0.63	0.63	0.63



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1832	Tax and Licensing					
	Tax and License Administrator	44	1	1	1	1
	Tax Audit Supervisor	38	1	1	1	1
	License & Collections Supervisor	38	0	1	1	1
	Tax Auditor I/II+	32	4	4	5	6
	Contract Administrator	31	1	0	0	0
	Specialty Licenses Coordinator	31	1	1	1	1
	Executive Assistant	26	1	1	1	1
	License Inspector	25	1	1	1	1
	Revenue Collector	23	2	2	2	2
	Tax Audit Tech	20	1	1	1	1
	Financial Services Technician I/II+	18	4	5	4	4
	Unclassified Temporary-Office*		0.15	0.00	0.00	0.00
	Total Full-Time		17	18	18	19
	Total Temp FTE*		0.15	0.00	0.00	0.00
1841	Customer Services					
(1931)	Customer Services Manager	44	1	0	0	0
	Customer Services Supervisor	33	1	0	0	0
	Financial Services Clerk I/II+	18	8	0	0	0
	Water Service Representative	16	1	0	0	0
	Water Meter Reader	10	7	0	0	0
	Total Full-Time		18	0	0	0
1851	Central Services/Purchasing					
	Central Services Manager	46	1	1	1	1
	Procurement Officer	30	3	3	3	3
	Assistant Buyer	25	1	1	1	1
	Financial Services Technician I/II+	18	2	2	3	3
	Administrative Assistant II	16	1	1	1	1
	Financial Services Technician I/II*		1	0	0	0
	Unclassified Temporary-Office*		0.62	0.62	0.62	0.62
	Total Full-Time		8	8	9	9
	Total Temp FTE*		1.62	0.62	0.62	0.62
1852	Central Services/Duplicating & Supplies					
	Reprographics Supervisor	21	1	1	1	1
	Reprographics Operator	10	2	2	3	3
	Distribution Clerk	8	1	1	1	1
	Total Full-Time		4	4	5	5
	<b>Financial Services Department Total Full-Time</b>		<b>72</b>	<b>56</b>	<b>58</b>	<b>59</b>
	<b>Financial Services Department Total Perm FTE**</b>		<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
	<b>Financial Services Department Total Temp FTE*</b>		<b>2.40</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1870 (1221)	Economic Development					
	Economic Development Director	200	1	1	1	1
	Economic Development Specialist	36	1	1	1	1
	Administrative Assistant II	16	0	1	1	1
	<b>Economic Development Total Full-Time</b>		<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>
4410	Economic Development - Rio Salado					
	Rio Salado Manager	47	1	1	1	1
	Senior Planner	38	2	2	1	1
	Communications Coordinator	36	1	1	1	1
	Management Assistant I/II+	35	2	2	1	1
	Executive Assistant	26	0	0	1	1
	Customer Services Supervisor	24	1	1	1	1
	Administrative Assistant II	16	1	0	0	0
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		8	7	6	6
	Total Temp FTE *		0.49	0.49	0.49	0.49
4413	Rio Salado Park					
	Administrative Assistant I	10	3	3	3	3
	Total Full-Time		3	3	3	3
	<b>Rio Salado Division Total Full-Time</b>		<b>11</b>	<b>10</b>	<b>9</b>	<b>9</b>
	<b>Rio Salado Division Total Temp FTE*</b>		<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>
1890	Strategic Planning					
	Strategic Planning Director	200	0	1	1	1
	Contract Administrator	31	0	0	1	1
	<b>Strategic Planning Division Total Full-Time</b>		<b>0</b>	<b>1</b>	<b>2</b>	<b>2</b>
	<b>HUMAN RESOURCES</b>					
1911 (1510)	Human Resources -Administration					
	Human Resources Manager	111	1	1	1	1
	Deputy Human Resources Manager	50	1	1	1	1
	Employee Benefits Supervisor	40	0	1	1	1
	Human Resources Supervisor	37	0	1	1	1
	Human Resources Analyst I/II+	33	3	6	6	6
	Executive Assistant	26	1	1	1	1
	Benefits Specialist	24	0	2	2	2



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1912 (1511)	Human Resources Technician I/II+	18	2	4	5	5
	Administrative Assistant II	16	0	1	1	1
	Administrative Assistant I	10	1	0	0	0
	Wellness Coordinator**		0	0.5	0	0
	Office Assistant**		0.5	0.5	0	0
	(Authorized through FY 00/01)					
	Total Full-Time		9	18	19	19
	Total Perm FTE**		0.5	1.0	0.0	0.0
	Employment					
	Human Resources Supervisor	37	1	0	0	0
	Human Resources Analyst I/II+	33	3	0	0	0
	Human Resources Technician I/II+	18	1	0	0	0
	Administrative Assistant II	16	1	0	0	0
	Total Full-Time		6	0	0	0
1913 (1512)	Employee Services and Benefits					
	Employee Benefits Supervisor	40	1	0	0	0
	Benefits Specialist	24	2	0	0	0
	Wellness Coordinator**		0.5	0.0	0.0	0.0
	Total Full-Time		3	0	0	0
	Total Perm FTE**		0.5	0.0	0.0	0.0
<b>Human Resources Total Full-Time</b>			<b>18</b>	<b>18</b>	<b>19</b>	<b>19</b>
<b>Human Resources Total Perm FTE**</b>			<b>1.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>
1920 (1217)	Tempe Learning Center					
	Tempe Learning Center Director	200	0	1	1	1
	Training/Org Development Administrator	36	1	0	0	0
	Training/Org Development Specialist	30	1	1	1	1
	Training Assistant	19	0	1	1	1
	<b>Tempe Learning Center Division Total Full-Time</b>		<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>INFORMATION TECHNOLOGY</b>						
1981 (1881)	Information Technology/Administration					
	Information Technology Manager	201	1	1	1	1
	Deputy Information Tech Manager	200	1	2	2	2
	Webmaster	42	1	0	0	0

Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
1982 (1882)	Senior Management Assistant	40	1	1	1	1
	Business Analyst	42	1	0	0	0
	Senior Programmer Analyst	40	1	0	0	0
	Program Consultant	37	2	2	2	2
	Executive Assistant	26	1	1	1	1
	Total Full-Time		9	7	7	7
	Information Technology/Customer Support					
	Support Services Supervisor	44	1	1	1	1
	Customer Support Coordinator	39	2	2	2	2
	IT Training Coordinator	37	1	1	1	1
	Sr. PC Services Consultant	34	1	1	1	1
	Customer Support Specialist I/II+	31	4	4	5	5
	PC Services Consultant I/II+	31	5	5	6	6
	Total Full-Time		14	14	16	16
	Information Technology/Technical Services					
1983 (1883)	System Network Supervisor	47	1	1	1	1
	Data Center & Network Operations Supervisor	46	1	1	1	1
	Sr. Technical Support Analyst	44	2	2	2	2
	Technical Support Analyst	39	5	5	5	5
	Production Control Coordinator	33	1	1	1	1
	Data Center Support Specialist	25	2	2	2	2
	Data Center Operator I/II+	20	3	3	3	3
	Total Full-Time		15	15	15	15
	Information Technology/Application Services					
	Assistant Information Tech Manager	52	1	0	0	0
1984 (1884)	Application Services Supervisor	48	0	1	1	1
	Database Administrator	46	1	1	1	1
	IT Project Coordinator	44	1	1	1	1
	Webmaster	42	0	2	2	2
	Database Analyst	42	2	2	2	2
	Business Analyst	42	7	8	8	8
	Senior Database Analyst (Funded by Water/Wastewater Fund)		1	0	0	0
	Senior Programmer Analyst	40	7	8	9	9
	Programmer Analyst I/II+	34	8	8	8	8
	Total Full-Time		28	31	32	32
1985 (1885)	Information Technology/Telecommunications					
	Telecommunications Supervisor	46	1	1	1	1
	Telecommunications Operations Supervisor	39	0	1	1	1
	Telecommunications Network Engineer	39	3	3	3	3





Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
	Sr Communication Network Technician	31	0	1	1	1
	Communication Network Supervisor	31	1	0	0	0
	Communication Network Technician	28	4	3	4	4
	Administrative Assistant II	16	0	0	1	1
	Administrative Assistant I	10	1	1	1	1
	COE*		0.49	0.49	0	0
	Total Full-Time		10	10	12	12
	Total Temp FTE*		0.49	0.49	0.00	0.00
	<b>Information Technology Total Full-Time</b>		<b>76</b>	<b>77</b>	<b>82</b>	<b>82</b>
	<b>Information Technology Total Temp FTE**</b>		<b>0.49</b>	<b>0.49</b>	<b>0.00</b>	<b>0.00</b>
2710	<b>DEVELOPMENT SERVICES</b>					
	Development Services - Administration					
	Development Services Manager	201	1	1	1	1
	Executive Assistant	26	0	0	1	1
	Total Full-Time		1	1	2	2
2721	Building Safety and Permits					
(2721-2724)	Deputy Dev Services Manager-BS Dir.	200	1	1	1	1
	Plan Check Manager	44	0	0	1	1
	Permits Center Manager	42	0	0	1	1
	Bldg. Inspection Superintendent	40	0	0	1	1
	Senior Plan Check Engineer	39	0	0	2	2
	Sr Building Inspector	36	0	0	1	1
	Plan Check Engineer	35	0	0	4	4
	ADA Plan Check Engineer	35	0	0	1	1
	Planner I/II+	34	0	0	1	1
	Plans Examiner	32	0	0	2	2
	Building Code Complaint Investigator	31	0	0	1	1
	Building Inspector I/II+	31	0	0	10	10
	Executive Assistant	26	1	1	1	1
	Senior Development Services Specialist	25	0	0	1	1
	Sign Code Inspector	25	0	0	1	1
	Planning Code Inspector I/II	25	0	0	1	1
	Planning Technician I/II	25	0	0	1	1
	Dev Services Specialist I/II +	22	0	0	9	9
	Administrative Assistant II	16	0	0	1	1
	Administrative Assistant I	16	0	0	1	1
	Building Inspector I/II+**		0	0	1	1
	Total Full-Time		2	2	42	42
	Total Perm FTE**		0	0	1	1
2722	Counter Services					
	Development Services Administrator	42	1	1	0	0
	Senior Development Services Specialist	25	1	1	0	0



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2723	Dev Services Specialist I/II +	22	4	4	0	0
	Administrative Assistant II	16	1	1	0	0
	Dev Services Specialist I/II*		1	1	0	0
	Administrative Assistant I*		1	1	0	0
	Total Full-Time		7	7	0	0
	Total Temp FTE*		2	2	0	0
	Plan Check					
	Plan Check Manager	44	1	1	0	0
	Senior Plan Check Engineer	38	2	2	0	0
	Plan Check Engineer	35	4	4	0	0
	Planner I/II+	32	0	1	0	0
	Plans Examiner	31	2	2	0	0
	Total Full-Time		9	10	0	0
2724	Inspection					
	Bldg. Inspection Superintendent	40	1	1	0	0
	Sr Building Inspector	32	1	1	0	0
	Building Code Complaint Investigator	31	1	1	0	0
	Building Inspector I/II+	30	6	6	0	0
	Building Inspector I/II+*		5	5	0	0
	Total Full-Time		9	9	0	0
	Total Temp FTE*		5	5	0	0
2731 (2731-2733)	Planning					
	Deputy Dev Services Manager - Planning	200	1	1	1	1
	Principal Planner	44	0	0	3	3
	Senior Planner	39	0	0	4	4
	Planner I/II+	34	0	0	6	6
	Executive Assistant	26	1	1	0	0
	Administrative Assistant II	16	2	2	2	2
	COE*		0.00	0.00	1.86	1.86
	Total Full-Time		4	4	16	16
	Total Temp FTE*		0.00	0.00	1.86	1.86
2732 (2751)	Code Compliance					
	Principal Planner	44	2	2	0	0
	Code Enforcement Manager	40	0	0	1	1
	Senior Planner	38	5	5	0	0
	Senior Code Inspector Specialist	32	0	0	1	1
	Planner I/II+	32	5	5	0	0

Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2733	Senior Code Inspector	27	0	0	1	1
	Code Inspector I/II+	25	0	0	9	9
	Code Inspector I/II +	25	2	2	0	0
	Planning Technician I/II +	25	1	1	0	0
	Administrative Assistant II	16	0	0	1	1
	Administrative Assistant I	8	0	0	1	1
	COE*		1.86	1.86	0.00	0.00
	Total Full-Time		15	15	14	14
	Total Temp FTE*		1.86	1.86	0.00	0.00
	Sign Enforcement					
	Senior Code Inspector	27	1	1	0	0
	Code Inspector I/II+	25	1	1	0	0
	Total Full-Time		2	2	0	0
	Community Design and Development Division					
	Deputy Dev Services Manager - Redev.	200	0	1	1	1
(2742)	Principal Planner	44	1	1	4	4
	Senior Planner	39	3	3	5	5
	(2 positions funded by Federal Grant)					
	Planner I/II+	34	2	1	3	3
	Planning Technician I/II+	25	1	1	3	3
	(1 Position 50% funded by Federal Grant)					
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		8	8	17	17
	Code Enforcement					
	Code Enforcement Manager	40	1	1	0	0
	Senior Code Inspector Specialist	32	1	1	0	0
	Senior Code Inspector	27	1	1	0	0
	Code Inspector I/II+	25	6	6	0	0
	Administrative Assistant II	16	1	1	0	0
	Administrative Assistant I	8	1	1	0	0
2751	Code Enforcement Officer II*		1	1	0	0
	Total Full-Time		11	11	0	0
	Total Temp FTE*		1	1	0	0
	Redevelopment (CDBG) - Administration					
	Deputy Dev Services Director	49	1	0	0	0



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2772-2774	Senior Planner	38	1	1	0	0
	Planner I/II+	32	1	1	0	0
	Total Full-Time		3	2	0	0
	Housing & Redevelopment Services					
	Dep Dev Svs Manager - Housing Srvs	200	1	1	0	0
	Accountant	31	1	1	0	0
	Family Self Sufficiency Specialist	26	1	1	0	0
	Sr. Housing Specialist	22	1	1	0	0
	Redevelopment Specialist	20	3	3	0	0
	Housing Specialist	18	3	3	0	0
	Administrative Assistant II	16	1	2	0	0
	Senior Administrative Clerk	12	1	0	0	0
	Total Full-Time		12	12	0	0
	Housing Services Division					
	Dep Dev Svs Manager - Housing Srvs	200	0	0	1	1
2761-2774	Housing Services Supervisor	33	0	0	1	1
	Accountant	31	0	0	1	1
	Family Self Sufficiency Specialist	26	0	0	1	1
	Housing Specialist (CDBG & HOME)	20	0	0	4	4
	Housing Specialist (Section 8)	20	0	0	5	5
	Administrative Assistant II	16	0	0	1	1
	Total Full-Time		0	0	14	14
	<b>Development Services Total Full-Time</b>		<b>83</b>	<b>83</b>	<b>105</b>	<b>105</b>
	<b>Development Services Total Perm FTE**</b>		<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
	<b>Development Services Total Temp FTE*</b>		<b>9.86</b>	<b>9.86</b>	<b>1.86</b>	<b>1.86</b>
2210	<b>POLICE</b>					
	Office of the Chief					
	Police Chief	115	1	1	1	1
	Assistant Police Chief	57A	1	1	0	0
	Police Lieutenant	50	2	2	0	0
	Police Administration Manager	42	1	1	1	1
	Police Sergeant	36A	3	0	0	0
	Management Assistant II	35	2	2	2	2
	Crime Analyst I/II+	31	3	3	3	3
	Executive Assistant	26	1	1	1	1
	Alarm Coordinator	18	0	1	1	1



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2231	Administrative Assistant II	16	1	1	1	1
	Police Records Clerk II	14	1	1	1	1
	Administrative Assistant I	10	0	1	1	1
	Intern*		1.17	0.00	0.00	0.00
	Total Full-Time		16	12	12	12
	Total Temp FTE*		1.17	0.00	0.00	0.00
	Detention Facility					
	Police Detention & Support Manager	42	1	1	1	1
	Police Identification Supervisor	31	0	1	1	1
	Police Property Supervisor	28	1	1	1	1
	Detention Supervisor	27	5	6	6	6
	Police ID Technician	22	3	4	5	6
	Detention Officer	18	15	17	19	19
	Fingerprint Technician	15	2	2	2	2
	Police Property Technician	14	5	5	5	5
	Detention Officer**		2	1	1	1
	Total Full-Time		32	37	40	41
	Total Perm FTE**		2.0	1.0	1.0	1.0
	Communications Bureau					
	Police Communications Manager	42	1	1	1	1
2232	Police Communications Shift Supvr.	29	5	5	5	5
	Police Communications Trainer	24	1	1	1	1
	Police Communications Dispatcher I/II+	19	32	36	36	36
	Total Full-Time		39	43	43	43
	Records Bureau					
2233	Police Information Manager	42	1	1	1	1
	Senior Police Records Clerk	24	3	3	3	3
	Police Records Clerk II	14	15	15	15	15
	Administrative Assistant I	10	2	2	2	2
	Police Records Clerk I	5	8	8	8	8
	COE*		1	1	1	1
	Total Full-Time		29	29	29	29
2236	Total Temp FTE*		1	1	1	1
	Crime Prevention					
	Police Sergeant	36	1	1	1	1
	Crime Free Multi-Housing Coordinator	29	1	1	1	1
	Police Officer	28	3	3	4	4
	Police Licensing Specialist	26	1	1	0	0
	Alarm Coordinator	18	1	0	0	0
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		8	7	7	7



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2241	Investigations/Criminal Investigations					
	Assistant Police Chief	57A	0	1	1	1
	Division Commander	51A	1	0	0	0
	Police Commander	50	1	1	1	1
	Police Sergeant	36A	5	6	6	6
	Police Identification Supervisor	31	1	0	0	0
	Police Officer	28	34	37	38	38
	Executive Assistant	26	1	1	1	1
	Police Community Service Officer	20	4	3	3	3
	Police Investigative Asst.	16	3	3	3	3
	Administrative Assistant I	10	2	1	1	1
	COE*		1.26	1.26	1.26	1.26
	Total Full-Time		52	53	54	54
	Total Temp FTE*		1.26	1.26	1.26	1.26
2242	Investigations/Traffic Investigations					
	Police Commander	50	1	1	1	1
	Police Sergeant	36A	4	5	5	5
	Police Officer	28	18	22	26	26
	Administrative Assistant II	16	1	1	1	1
	Administrative Assistant I	10	0	0	3	3
	Traffic Enforcement Aide	10	7	7	7	7
	Total Full-Time		31	36	43	43
2243	SEU					
	Police Commander	50	1	1	1	1
	Police Sergeant	36A	5	4	4	4
	Police Officer	28	22	22	23	23
	(1 position is a Senior Intelligence Officer)					
	Police Community Service Officer	20	0	1	1	1
	Police Investigative Assistant	16	2	2	2	2
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		31	31	32	32
2248	Downtown Unit					
	Police Commander	50	0	1	1	1
	Police Sergeant	36A	0	3	3	3
	Police Officer	28	0	21	21	21
	Police Licensing Specialist	26	0	0	1	1
	Total Full-Time		0	25	26	26
2251	Administration					
	Assistant Chief	52	1	1	1	1
	Police Commander	50	1	1	1	1
	Police Sergeant	36A	4	8	8	8



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2271	Police Polygraph Examiner I/II+	33	2	2	2	2
	Volunteer Coordinator	31	1	1	1	1
	Police Officer	28	2	3	4	4
	Policy Procedures Officer	28	1	1	1	1
	Training Coordinator	26	1	1	1	1
	Administrative Assistant II	16	2	2	2	2
	Administrative Assistant I	10	1	1	1	1
	COE*		0.7	0.7	0.7	0.7
	Total Full-Time		16	21	22	22
	Total Temp FTE*		0.7	0.7	0.7	0.7
	Patrol-Administration					
	Assistant Chief	57	0	1	1	1
	Division Commander	51A	2	0	0	0
	Police Commander	50	0	1	1	1
	Police Sergeant	36A	2	2	2	2
	Police Officer	28	1	1	1	1
	Administrative Assistant II	16	2	2	2	2
	Administrative Assistant I	10	2	3	0	0
	Police Reserves*		0.16	0.16	0.16	0.16
	Service Aide*		2.5	2.5	2.5	2.5
	COE*		0.63	0.63	0.63	0.63
	Total Full-Time		9	10	7	7
	Total Temp FTE*		3.29	3.29	3.29	3.29
2272	Patrol					
	Police Commander	50	6	5	5	5
	Police Sergeant	36A	28	24	24	24
	Police Officer	28	154	137	138	138
	Police Community Service Officer	20	14	10	10	10
	Administrative Assistant I	10	1	0	0	0
	Police Community Service Officer**		0.5	0	0	0
	Total Full-Time		203	176	177	177
	Total Perm FTE**		0.5	0	0	0
2273	City Security Team					
	Police Sergeant (.5 funded by Rio Salado)	36A	1	1	1	1
	Park Ranger (8 Rangers funded by Rio Salado)	13	5	5	5	5
	Total Full-Time		6	6	6	6



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2274	Recruits					
	Police Officer	28	8	8	8	8
	Total Full-Time		8	8	8	8
	<b>Police Department Total Full-Time</b>		<b>480</b>	<b>494</b>	<b>506</b>	<b>507</b>
	<b>Police Department Total Perm FTE**</b>		<b>2.5</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
	<b>Police Department Total Temp FTE*</b>		<b>7.42</b>	<b>6.25</b>	<b>6.25</b>	<b>6.25</b>
2310	<b>FIRE</b>					
	Administration					
	Fire Chief	114	1	1	1	1
	Assistant Fire Chief	54A	1	1	1	1
	Fire Battalion Chief	46	3	3	3	3
	Management Assistant II	35	1	1	1	1
	Executive Assistant	26	1	1	1	1
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		8	8	8	8
2330	Fire Prevention					
	Fire Marshal	46	1	1	1	1
	Fire Inspector I/II+	31	7	7	7	7
	Fire Education Specialist	18	2	2	2	2
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		11	11	11	11
2340	Fire Emergency Services					
	Fire Captain	34	27	30	30	30
	Fire Engineer - Assgt.	30	1	0	0	0
	Fire Engineer	28	32	33	33	33
	Firefighter	25	66	63	63	63
	<i>(57 Firefighter, Engineer or Captain positions are paramedic assignment.)</i>					
	Total Full-Time		126	126	126	126
2350	Training/Professional Development					
	Fire Battalion Chief	46	1	1	1	1
	Fire Captain - Assgt.	37A	1	1	1	1
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		3	3	3	3
2363	Fire Apparatus Maintenance					
	Senior Fire Mechanic	31	1	1	1	1
	Fire Mechanic	26	1	1	1	1
	Inventory Services Specialist **	13	0.5	0.5	0.5	0.5
	Total Full-Time		2	2	2	2
	Total Perm FTE**		0.5	0.5	0.5	0.5





Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2364	Support Services - Administration					
	Fire Battalion Chief	46	1	1	1	1
	Fire Services Inventory Technician	24	1	1	1	1
	Fire Support Services Technician	13	0	1	1	1
	Service Aide		0	1	1	1
	Service Aide*		0.98	0.00	0.00	0.00
	Total Full-Time		2	4	4	4
	Total Temp FTE*		0.98	0.00	0.00	0.00
2370	Medical Services					
	Fire Battalion Chief	46	1	1	1	1
	Fire Captain - Paramedic-Assgt.	41A	1	1	1	1
	Medical Services Coordinator	33	0	1	1	1
	Total Full-Time		2	3	3	3
2380	Special Operations					
	Fire Battalion Chief	46	1	1	1	1
	Total Full-Time		1	1	1	1
<b>Fire Department Total Full-Time</b>			<b>155</b>	<b>158</b>	<b>158</b>	<b>158</b>
<b>Fire Department Total Perm FTE**</b>			<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
<b>Fire Department Total Temp FTE*</b>			<b>0.98</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
2410	<b>COMMUNITY SERVICES</b>					
	Administration					
	Community Services Manager	114	1	1	1	1
	Senior Management Assistant	40	1	0	0	0
	Volunteer Coordinator	31	1	1	1	1
	Executive Assistant	26	1	1	1	1
	Recreation Worker*		0.38	0.38	0.38	0.38
	Unclassified Temporary*		0.14	0.14	0.14	0.14
	Total Full-Time		4	3	3	3
	Total Temp FTE*		0.52	0.52	0.52	0.52
2421	Recreation/Administration					
	Dep Comm. Svs. Mgr. - Parks & Rec	200	1	1	1	1
	Management Assistant II	35	1	1	1	1
	Recreation Coordinator	31	1	1	1	1
	Community Services Registration Tech	19	0	0	1	1
	Administrative Assistant II	16	2	4	3	3
	Senior Administrative Clerk	12	2	0	0	0
	Administrative Assistant I**		0.00	0.00	0.75	0.75
	Unclassified Temporary*		0.22	0.22	0.22	0.22
	Total Full-Time		7	7	7	7
	Total Perm FTE**		0.00	0.00	0.75	0.75
	Total Temp FTE*		0.22	0.22	0.22	0.22
2422	Recreation/Community Events					
(2483)	Community Services Supervisor	39	1	1	1	1
	Public Relations and Events Coordinator	31	0	1	1	1



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2423	Recreation Coordinator	31	0	1	1	1
	Assistant Recreation Coordinator	23	0	0	1	1
	Administrative Assistant II	16	1	1	0	0
	Unclassified Temporary*		0.43	0.43	1.18	1.18
	Total Full-Time		2.00	4.00	4.00	4.00
	Total Temp FTE*		0.43	0.43	1.18	1.18
	Recreation/Special Populations					
	Recreation Coordinator	31	1	1	1	1
	Asst. Recreation Coordinator	23	1	1	1	1
	Administrative Assistant II	16	1	1	1	1
	Program Coordinator**		0.00	0.00	0.50	0.50
	Unclassified Temporary*		2.37	2.37	2.87	2.87
	Total Full-Time		3	3	3	3
	Total Perm FTE**		0.00	0.00	0.50	0.50
	Total Temp FTE*		2.37	2.37	3.37	3.37
2424	Recreation/Rec. Instructional					
	Community Services Supervisor	39	1	1	1	1
	Recreation Coordinator	31	1	1	2	2
	Assistant Recreation Coordinator	17	0	0	2	2
	Recreation Leader III*		0.00	0.00	1.93	1.93
	Unclassified Temporary*		3.72	3.72	4.72	4.72
	Total Full-Time		2	2	5	5
	Total Temp FTE*		3.72	3.72	6.65	6.65
2425	Recreation/Youth Sports					
	Recreation Coordinator	31	2	2	2	2
	Unclassified Temporary*		3.84	3.84	3.84	3.84
	Total Full-Time		2	2	2	2
	Total Temp FTE*		3.84	3.84	3.84	3.84
2426	Recreation/Adult Sports					
	Community Services Supervisor	39	1	1	1	1
	Program Coordinator		0	0	2	2
	Recreation Coordinator	31	2	2	2	2
	Unclassified Temporary*		4.89	4.89	2.89	2.89
	Total Full-Time		3	3	5	5
	Total Temp FTE*		4.89	4.89	2.89	2.89



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2427	Recreation Resources					
	Recreation Coordinator	31	1	1	2	2
	Assistant Recreation Coordinator	23	1	1	0	0
	Administrative Assistant I**		0.00	0.00	0.75	0.75
	Unclassified Temporary*		4.1	4.1	4.1	4.1
	Total Full-Time		2	2	2	2
	Total Perm FTE**		0.00	0.00	0.75	0.75
	Total Temp FTE*		4.1	4.1	4.1	4.1
2429	Recreation/Diablo Stadium Operation					
	Recreation Coordinator	31	1	1	1	1
	Unclassified Temporary*		2.41	2.41	2.41	2.41
	Total Full-Time		1	1	1	1
	Total Temp FTE*		2.41	2.41	2.41	2.41
2431	Recreation/Kiwanis Center					
	Community Services Supervisor	39	1	1	1	1
	Recreation Coordinator	31	1	1	1	1
	Asst. Recreation Coordinator	23	3	3	3	3
	Administrative Assistant II**		3.50	3.50	3.50	3.50
	Recreation Leader I*		0.00	0.00	0.75	0.75
	Recreation Worker*		0.00	0.00	0.50	0.50
	Unclassified Temporary*		18.31	18.31	18.71	18.71
	Total Full-Time		5	5	5	5
	Total Perm FTE**		3.50	3.50	3.50	3.50
	Total Temp FTE*		18.31	18.31	19.96	19.96
2432	Recreation/Kiwanis Concession					
	Unclassified Temporary*		1.99	1.99	1.99	1.99
	Total Temp FTE*		1.99	1.99	1.99	1.99
2433	Recreation/Aquatics					
	Community Services Supervisor	39	1	1	1	1
	Recreation Coordinator	31	1	1	1	1
	Swimming Pool Maint Mechanic	23	1	1	1	1
	Swimming Pool Maint Technician	20	1	1	1	1
	Asst. Recreation Coordinator**		0	0	0.75	0.75
	Unclassified Temporary*		16.56	16.56	17.33	17.33
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.00	0.00	0.75	0.75
	Total Temp FTE*		16.56	16.56	17.33	17.33



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2435	Recreation/Kiwanis Batting Cage					
	Batting Cage Coordinator	27	1	1	1	1
	Batting Range Operator	9	1	1	1	1
	Unclassified Temp*		1.41	1.41	1.41	1.41
	Total Full-Time		2	2	2	2
	Total Temp FTE*		1.41	1.41	1.41	1.41
2440	Library					
	Dep Comm Svcs Mgr - Library	200	1	1	1	1
	Administrative Librarian	39	1	1	1	1
	Library Supervisor	39	4	4	4	4
	Recreation Coordinator	31	0	0	1	1
	Librarian I/II+	30	13	13	13	13
	Community Education Specialist	27	1	1	0	0
	Catalog Services Coordinator	17	1	1	1	1
	Circulation Services Coordinator	17	1	1	1	1
	Administrative Assistant II	16	1	1	1	1
	Library Aide II	15	6	6	6	6
	Library Aide I	11	3	3	3	3
	Library Clerk	5	5	5	5	5
	Librarian I/II+**		2	2	2	2
	Library Aide II**		1.75	1.75	1.75	1.75
	Library Clerk**		4.5	4.5	4.5	4.5
	Unclassified Temp - Office*		9.84	9.84	9.84	9.84
	Total Full-Time		37	37	37	37
	Total Perm FTE**		8.25	8.25	8.25	8.25
	Total Temp FTE*		9.84	9.84	9.84	9.84
2451	Social Services/Administration					
	Dep Comm Svcs Mgr - Social Services	200	1	1	1	1
	Community Services Supervisor	39	1	2	2	2
	Social Services Supervisor	39	3	3	3	3
	Social Services Counselor I/II+	35	9	9	10	10
	Community Youth Coordinator	31	2	2	2	2
	Community Education Coordinator	31	0	0	0	1
	Youth Employment Coordinator	31	1	1	1	1
	Social Services Coordinator	31	2	3	3	3
	Asst Recreation Coordinator	23	1	1	2	2
	Program Specialist	17	0	2	2	2
	Administrative Assistant II	16	5	6	8	8
	Social Services Coordinator**		2.25	1.5	1.5	2.5
	Customer Support Specialist I**		0.0	0.75	0.75	0.75
	Asst Recreation Coordinator**		0.75	0.75	0.0	0.0



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2457	Secretary**		0.0	0.75	0.75	0.75
	Administrative Clerk **		0.75	0.50	0.0	0.0
	Social Services Counselor**		0.65	0.65	0.65	0.65
	Administrative Clerk *		1.00	1.00	0.00	0.00
	Asst Comm Youth Coordinator*		0.06	0.06	0.06	0.06
	Program Supervisor*		4.00	4.00	4.00	4.00
	Program Leader*		3.25	3.25	3.25	3.25
	Unclassified Temp - Office*		4.36	7.36	7.36	7.36
	Total Full-Time		25	30	34	35
	Total Perm FTE**		4.40	4.90	3.65	4.65
	Total Temp FTE*		12.67	15.67	14.67	14.67
	Social Services/KID ZONE					
	Community Services Supervisor	39	1	1	1	1
	Management Assistant II	35	1	1	1	1
	Social Services Coordinator	31	3	4	4	4
	Community Education Specialist	27	1	0	0	0
	Administrative Assistant II	16	1	1	1	1
	Social Services Coordinator**		1.00	2.00	2.00	2.00
	Customer Support Specialist I/II**		0.75	0.00	0.00	0.00
	Assistant Recreation Coordinator**		0.50	0.00	0.00	0.00
	Secretary**		1.00	1.00	1.00	1.00
	Inventory Services Specialist**		0.75	1.00	1.00	1.00
	Program Coordinator**		0.00	0.00	10.00	10.00
	Program Coordinator*		0.48	0.48	0.48	0.48
	Unclassified Temporary*		57.0	57.0	47.0	47.0
	Total Full-Time		7	7	7	7
	Total Perm FTE**		4.00	4.00	14.00	14.00
	Total Temp FTE*		57.43	57.43	47.43	47.43
2481	Cultural Services - Administration					
	Dep Comm Svcs Mgr - Cultural Services	200	1	1	1	1
	Community Services Supervisor	39	0	0	1	1
	Recreation Coordinator	31	2	2	1	1
	Fine Arts Coordinator	31	2	2	2	2
	Administrative Assistant II	16	1	1	1	1
	Assistant Recreation Coordinator**		0.5	0.5	1.0	1.0
	Recreation Leader III*		0.95	0.95	0.95	0.95
	Recreation Leader IV*		0.36	0.36	0.36	0.36
	Unclassified Temporary*		4.52	4.52	5.01	5.01
	Total Full-Time		6	6	6	6
	Total Perm FTE**		0.50	0.50	1.00	1.00
	Total Temp FTE*		5.83	5.83	6.32	6.32
2484 (2445)	Historical Museum					
	Museum Administrator	39	1	1	1	1
	Museum Curator	28	5	5	5	5
	Museum Registrar	23	0	1	1	1

Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3610	Administrative Assistant II	16	1	1	1	1
	Museum Aide**		0.5	0.5	0.5	0.5
	Unclassified Temp - Office*		0.7	0.7	0.7	0.7
	Total Full-Time		7	8	8	8
	Total Perm FTE**		0.5	0.5	0.5	0.5
	Total Temp FTE*		0.7	0.7	0.7	0.7
	Performing Arts - Administration					
	Cultural Facilities Administrator	37	0	1	1	1
	Fine Arts Coordinator	31	0	1	1	1
	Administrative Assistant I	10	0	1	1	1
	Total Full-Time		0	3	3	3
	<b>Community Services Dept Total Full-Time</b>		<b>119</b>	<b>129</b>	<b>138</b>	<b>139</b>
	<b>Community Services Dept Total Perm FTE**</b>		<b>21.15</b>	<b>21.65</b>	<b>33.65</b>	<b>34.65</b>
	<b>Community Services Dept Total Temp FTE*</b>		<b>147.24</b>	<b>150.24</b>	<b>144.83</b>	<b>144.83</b>
3210	<b>PUBLIC WORKS</b>					
	Administration					
	Public Works Manager	115	1	1	1	1
	Administrative Services Coordinator	42	1	1	1	1
	Energy Management Coordinator	39	1	0	0	0
	Management Assistant II	35	1	1	1	1
	Executive Assistant	26	1	1	1	1
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		5	4	4	4
	Total Temp FTE*		0.49	0.49	0.49	0.49
	Engineering/Administration					
	Deputy PW Manager-Engineering	53	1	1	1	1
3221	Engineering Manager	40	1	1	1	1
	Senior Civil Engineer		0	0	1	1
	<i>(Funded by Water/Wastewater Fund)</i>					
	Senior Engineering Associate+	29	1	1	1	1
	Executive Assistant	26	1	1	1	1
	Engineering Associate+	25	1	1	1	1
	Engineering Technician II+	22	1	1	1	1
	Administrative Assistant II	16	2	2	2	2
	Engineering Technician I+	15	1	1	1	1
	Total Full-Time		9	9	10	10
	Engineering/Construction					
	Engineering Manager	40	1	1	1	1
3222	Senior Engineering Associate+	29	7	7	7	7
	<i>(One position funded by Transit)</i>					
	Engineering Associate+	25	1	1	2	2
	Total Full-Time		9	9	10	10

Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3223	Engineering/Design					
	Principal Civil Engineer	42	2	2	2	2
	Engineering Manager	40	1	1	1	1
	Senior Civil Engineer+	39	4	4	4	4
	<i>(One position funded by Water/Wastewater and one position funded by Transit Fund)</i>					
	Civil Engineer +	36	0	0	1	1
	Engineering Systems Supervisor	35	1	1	1	1
	Municipal Property Specialist	35	2	2	2	2
	<i>(One position funded by Transit)</i>					
	Utility Infrastructure Coordinator	31	1	1	1	1
	Senior Engineering Associate+	29	5	5	5	5
	Senior Survey Technician	22	1	1	1	1
	Engineering Technician I/II+	22	3	3	3	3
	Survey Technician I/II+	18	1	1	1	1
	Total Full-Time		21	21	22	22
<b>Admin &amp; Engineering Division Total Full-Time</b>			<b>44</b>	<b>43</b>	<b>46</b>	<b>46</b>
<b>Admin &amp; Engineering Division Total Temp FTE*</b>			<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>
3224	Environmental Management					
	Environmental Engineer	51	1	0	0	0
	Environmental Program Supervisor	39	1	0	0	0
	Air Quality Specialist	36	1	0	0	0
	Management Assistant I/II+	35	1	0	0	0
	Sr. Cross Connection Control Inspector	29	1	0	0	0
	<i>(Funded by Water/Wastewater Fund)</i>					
	Environmental Program Technician	29	1	0	0	0
	Cross Connection Control Inspector	24	1	0	0	0
	<i>(Funded by Water/Wastewater Fund)</i>					
	Total Full-Time		7	0	0	0
3028 (3143)	Environmental Services					
	Environmental Compliance Supervisor	39	1	0	0	0
	Environmental Investigator	31	6	0	0	0
	Environmental Technician II-Assignment	24	1	0	0	0
	Environmental Technician I/II+	22	3	0	0	0
	Secretary	14	1	0	0	0
	Senior Administrative Clerk	12	1	0	0	0
	Administrative Clerk **		0.5	0	0	0
	Total Full-Time		13	0	0	0
	Total Perm FTE**		0.5	0	0	0
3029	Household Products Recycling Center					
	Environmental Program Specialist	34	1	0	0	0
	Environmental Technician I/II+	22	1	0	0	0
	Total Full-Time		2	0	0	0
<b>Environmental Division Total Full-Time</b>			<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Environmental Division Total Perm FTE**</b>			<b>0.5</b>	<b>0</b>	<b>0</b>	<b>0</b>



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3231	Field Services/Administration					
	Field Services Director	200	1	1	1	1
	PW Support Svcs Coordinator	42	1	1	1	1
	Management Assistant I/II+	31	1	1	1	1
	Administrative Assistant II	16	3	3	3	3
	Administrative Assistant I	10	1	1	1	1
	Total Full-Time		7	7	7	7
3241	Field Services/Facility Maintenance Administration					
	Asst. Field Serv. Director-Facility Maintenance	40	1	1	1	1
	Facility Maintenance Supervisor	31	1	1	1	1
	Facility Energy Management Technician	29	1	1	1	1
	Facility Electrician	26	1	1	1	1
	Facility Technician I/II+	23	14	15	16	17
	<i>(1 position funded by Golf Fund)</i> Total Full-Time		18	19	20	21
3250	Field Services/Custodial Services					
	Custodial Supervisor	28	2	2	2	2
	Lead Custodian	14	4	4	4	4
	Custodian	4	30	32	33	33
	<i>(1 position funded out of Rio Salado Fund)</i>					
	Custodian**		0.5	0.5	0.5	0.5
	Custodian*		0.49	0.49	0.49	0.49
	Total Full-Time		36	38	39	39
	Total Perm FTE**		0.5	0.5	0.5	0.5
	Total Temp FTE*		0.49	0.49	0.49	0.49
3252	Field Services/Parks Maintenance					
	Asst. Field Services Director - Park/Golf Course Maintenance	40	1	1	1	1
	Parks and Golf Course Supervisor	28	3	3	3	3
	Parks Facility Maint. Wkr. I/II+	23	2	2	2	2
	Senior Equipment Operator	20	1	1	1	1
	Parks & Golf Course Mechanic	16	1	1	1	1
	Sprinkler Sys. Maint. Worker I/II+	16	6	7	7	7
	Senior Groundskeeper	16	7	8	8	8
	Equipment Operator II	15	5	5	5	5
	Equipment Operator I	8	3	2	2	2
	Groundskeeper	7	21	21	21	21
	Groundskeeper*		2.62	2.62	2.62	2.62
	Unclassified Temporary*		2.5	2.5	2.5	2.5
	Total Full-Time		50	51	51	51
	Total Temp FTE*		5.12	5.12	5.12	5.12





Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3253	Field Services/Baseball Facility					
	Parks and Golf Course Supervisor	28	1	1	1	1
	Senior Groundskeeper	16	1	0	0	0
	Equipment Operator I	8	1	2	2	2
	Groundskeeper	7	7	7	7	7
	Groundskeeper*		0.56	0.56	0.56	0.56
	Total Full-Time		10	10	10	10
	Total Temp FTE*		0.56	0.56	0.56	0.56
3254	Field Services/Rio Salado					
	Senior Groundskeeper	16	1	1	1	1
	Groundskeeper	7	1	1	1	1
	Custodian**		0.5	0.5	0.5	0.5
	Groundskeeper*		0.1	0.1	0.1	0.1
	Total Full-Time		2	2	2	2
	Total Perm FTE**		0.5	0.5	0.5	0.5
	Total Temp FTE*		0.1	0.1	0.1	0.1
3255	Field Services/Landscape Maintenance Contract					
	Parks and Golf Course Supervisor	28	1	1	1	1
	Groundskeeper	7	2	2	2	2
	Total Full-Time		3	3	3	3
3256	Field Services/Pest Control					
	Senior Pest Control Worker	23	1	1	1	1
	Pest Control Worker	12	4	4	4	4
	Total Full-Time		5	5	5	5
3257	Field Services/Rio Salado - CFD					
	Groundskeeper	7	2	2	2	2
	Total Full-Time		2	2	2	2
3258	Double Butte Cemetery					
	Groundskeeper	7	2	2	2	2
	Total Full-Time		2	2	2	2
3261 (1861)	Equipment Management/Administration					
	Fleet Manager	45	1	1	1	1
	Equipment Maintenance Supt.	39	1	1	1	1
	Automotive Parts Supervisor	27	1	1	1	1
	Senior Auto Parts Specialist	21	1	1	1	1
	Auto Parts Specialist	16	3	3	3	3
	Administrative Assistant II	16	1	1	1	1
	Administrative Assistant I	8	1	1	1	1
	Auto Parts Messenger*		0.5	0.5	0.5	0.5
	Total Full-Time		9	9	9	9
	Total Temp FTE*		0.5	0.5	0.5	0.5
3262 (1862)	Equipment Management/Maintenance					
	Equipment Maint. Supervisor	33	3	3	3	3
	Lead Equipment Mechanic	28	3	3	3	3

Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3712	Equipment Mechanic	24	15	15	15	15
	Motorcycle Repair Technician	24	1	1	1	1
	Equipment Paint & Body Repair Worker	19	1	1	1	1
	Equipment Service Worker II	13	4	4	4	4
	Total Full-Time		27	27	27	27
	Field Services/Refuse Administration					
	Asst. Field Services Director - Streets & Sanitation	40	1	1	1	1
	Streets and Sanitation Supervisor	28	1	1	1	1
	Sanitation Inspector	22	3	3	3	3
	Total Full-Time		5	5	5	5
3713	Field Services/Refuse Residential					
	Streets and Sanitation Supervisor	28	1	1	1	1
	Equipment Operator II	15	19	19	19	19
3714	Total Full-Time		20	20	20	20
	Field Services/Refuse Commercial					
	Streets and Sanitation Supervisor	28	1	1	1	1
3715	Equipment Operator II	15	15	15	15	15
	Total Full-Time		16	16	16	16
	Field Services/Roll Off Tilt Frame					
3716	Senior Equipment Operator	20	3	3	3	3
	Total Full-Time		3	3	3	3
	Field Services/Refuse Support Services					
3718	Lead Sanitation Worker	18	1	1	1	1
	Equipment Operator II	15	1	1	1	1
	Sanitation Worker	15	3	3	3	3
	Total Full-Time		5	5	5	5
	Field Services/Uncontained Refuse					
3813	Streets and Sanitation Supervisor	28	1	1	1	1
	Equipment Operator II	15	15	14	14	14
	Equipment Operator II**		0	0.5	0.5	0.5
	Total Full-Time		16	15	15	15
	Total Perm FTE**		0	0.5	0.5	0.5
3814	Field Services/Street Maintenance					
	Streets and Sanitation Supervisor	28	1	1	1	1
	Senior Equipment Operator	20	5	5	5	5
	Equipment Operator II	15	12	19	19	19
	Total Full-Time		18	25	25	25
3814	Field Services/Field Maintenance					
	Streets and Sanitation Supervisor	28	1	0	0	0
	Senior Equipment Operator	20	1	0	0	0
	Equipment Operator II	15	9	0	0	0
	Total Full-Time		11	0	0	0



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
2511	Field Services/Rolling Hills Golf					
	Parks & Golf Course Supervisor	28	1	1	1	1
	Parks & Golf Course Mechanic	16	1	1	1	1
	Sprinkler Systems Maint. Worker I/II+	16	1	1	1	1
	Equipment Operator II	15	2	2	2	2
	Equipment Operator I	8	1	1	1	1
	Groundskeeper	7	4	4	4	4
	Groundskeeper*		1.07	1.07	1.07	1.07
	Total Full-Time		10	10	10	10
	Total Temp FTE*		1.07	1.07	1.07	1.07
2512	Field Services/Ken McDonald Golf					
	Parks & Golf Course Supervisor	28	1	1	1	1
	Parks & Golf Course Mechanic	16	1	1	1	1
	Equipment Operator II	15	3	3	3	3
	Sprinkler System Maint. Worker I/II+	15	1	1	1	1
	Equipment Operator I	8	1	1	1	1
	Groundskeeper	7	5	5	5	5
	Groundskeeper*		1.35	1.35	1.35	1.35
	Total Full-Time		12	12	12	12
	Total Temp FTE*		1.35	1.35	1.35	1.35
<b>Field Services Division Total Full-Time</b>			<b>287</b>	<b>286</b>	<b>288</b>	<b>289</b>
<b>Field Services Division Total Perm FTE**</b>			<b>1.0</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>
<b>Field Services Division Total Temp FTE*</b>			<b>9.19</b>	<b>9.19</b>	<b>9.19</b>	<b>9.19</b>
3821	Transportation/Administration					
	Deputy Public Works Manager - Transportation	53	1	1	1	1
	PW Support Svcs Coordinator	42	0	1	1	1
	Administrative Assistant II	16	1	1	1	1
	Total Full-Time		2	3	3	3
3822	Transportation/Studies & Design					
	Traffic Engineering Supervisor	39	1	1	1	1
	Senior Civil Engineer	37	2	2	2	2
	Senior Traffic Engineering Technician +	29	3	4	4	4
	Total Full-Time		6	7	7	7
3823	Transportation/Operations					
	Traffic Operations Supervisor	39	1	1	1	1
	Sign Technician	25	1	1	1	1
	Traffic Operations Crew Leader	18	2	2	2	2
	Administrative Assistant II	16	1	1	1	1
	Transportation Worker I/II+	15	5	5	6	6
	Total Full-Time		10	10	11	11
3824	Transportation/Lights & Signals					
	Transportation Engineering Planner	36	1	1	1	1
	Management Assistant I/II+	35	1	1	1	1
	Lighting Systems Coordinator	27	1	1	1	1
	Total Full-Time		3	3	3	3



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3825	Transportation/Signal System					
	Asst. Traffic Engineer	44	1	0	0	0
	Intelligent Trans. System Coordinator	39	1	1	1	1
	Signal Systems Analyst	34	1	1	1	1
	Senior Traffic Signal Technician	33	1	1	1	1
	Traffic Signal Services Supervisor	32	1	1	1	1
	Underground Utilities Coordinator		0	0	1	1
	Traffic Signal Technician I/II+	26	3	3	3	3
	Traffic Signal Service Worker I/II+	18	5	5	5	5
	Total Full-Time		13	12	13	13
3911	Transit					
	Transit Administrator	51	1	1	1	1
	Assistant Transit Administrator	44	1	1	1	1
	Principal Planner	44	0	0	1	1
	Principal Civil Engineer	44	0	0	1	1
	Senior Transportation Planner	40	2	2	2	3
	Transit Operations Supervisor	37	1	1	1	1
	Sr Civil Engineer+	37	0	0	0	2
	Transportation Planner	36	1	2	2	2
	Community Outreach & Marketing Coor	36	1	1	1	1
	Transit Finance Specialist	36	1	1	1	1
	Transit Operations Coordinator	32	1	1	1	1
	Alternative Modes Specialist	28	1	1	1	1
	Transit Operations Technician	18	1	1	2	2
	Senior Financial Services Technician	18	0	0	1	1
	Financial Services Clerk I/II+	18	0	0	2	2
	Administrative Assistant II	16	1	2	2	2
	Transportation Operations Worker I/II+	15	1	5	5	5
	Traffic Operations Worker II	14	1	0	0	0
	Senior Administrative Clerk	12	1	0	0	0
	Management Intern**		0.5	0.5	0.5	0.5
	Total Full-Time		15	20	26	29
	Total Perm FTE**		0.5	0.5	0.5	0.5
	<b>Transportation Division Total Full-Time</b>		<b>49</b>	<b>55</b>	<b>63</b>	<b>66</b>
	<b>Transportation Division Total Perm FTE**</b>		<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
	<b>Public Works Department Total Full-Time</b>		<b>0</b>	<b>384</b>	<b>397</b>	<b>401</b>
	<b>Public Works Department Total Perm FTE**</b>		<b>0.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
	<b>Public Works Department Total Temp FTE*</b>		<b>0.00</b>	<b>9.68</b>	<b>9.68</b>	<b>9.68</b>
3061 (1841) (1931)	<b>WATER UTILITIES</b>					
	Customer Services					
	Customer Services Manager	44	0	1	1	1
	Customer Services Supervisor	33	0	1	1	1
	Senior Financial Services Technician	21	0	1	1	1
	Financial Services Technician I/II+	18	0	7	7	7
	Water Service Representative	16	0	1	1	1
	Water Meter Reader	10	0	6	5	5
	Total Full-Time		0	17	16	16



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3224	Environmental Management					
	Deputy Water Utilities Mgr-Environmental	51	0	1	1	1
	Environmental Program Supervisor	39	0	1	1	1
	Air Quality Specialist	36	0	1	1	1
	Management Assistant I/II+	35	0	1	1	1
	Sr. Cross Connection Control Inspector	29	0	1	1	1
	Environmental Program Technician	29	0	1	1	1
	Cross Connection Control Inspector	24	0	1	1	1
	Administrative Assistant II**		0	0	0.5	0.5
	Total Full-Time		0	7	7	7
	Total Perm FTE**		0	0	0.5	0.5
3028 (3143)	Environmental Services					
	Environmental Compliance Supervisor	39	0	1	1	1
	Environmental Investigator	31	0	6	6	6
	Environmental Technician II-Assignment	24	0	1	1	1
	Environmental Technician I/II+	22	0	3	3	3
	Administrative Assistant II	16	0	2	2	2
	Administrative Clerk **		0	0.5	0	0
	Total Full-Time		0	13	13	13
	Total Perm FTE**		0	0.5	0	0
3029	Household Products Recycling Center					
	Environmental Program Specialist	34	0	1	1	1
	Environmental Technician I/II+	22	0	1	1	1
	Total Full-Time		0	2	2	2
3002	Water Management - Administration					
	Water Utilities Dept. Manager	201	0	1	1	1
	Deputy Water Utilities Manager - Operations	53	1	1	1	1
	Senior Management Assistant	40	1	1	1	1
	Water Quality Specialist	37	1	0	0	0
	Management Assistant II	35	0	1	1	1
	Water Mgmt Safety - Training Coordinator	33	1	1	1	1
	Operations Analyst	31	0	1	1	1
	Executive Assistant	26	1	1	1	1
	Administrative Assistant II	16	3	0	2	2
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		8	7	9	9
	Total Temp FTE*		0.49	0.49	0.49	0.49
3003	Water Management Warehouse					
	Warehouse Supervisor	25	1	1	1	1
	Inventory Services Specialist	13	1	1	1	1
	Distribution Clerk	8	1	1	1	1
	Total Full-Time		3	3	3	3



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3011	Water Quality - Administration					
	Plant Operations Manager	42	1	1	1	1
	Management Assistant I/II+	35	1	0	0	0
	Total Full-Time		2	1	1	1
3012	Control Center Operations					
	Control Center Supervisor	33	1	1	1	1
	Instrumentation and Control Tech (3 SBP)	27	0	4	4	4
	Control Center Operator	25	4	4	4	4
	Plant Operator I/II+	23	1	0	0	0
	Total Full-Time		6	9	9	9
3013	Papago Water Plant					
	Plant Team Leader	33	1	1	1	1
	Plant Electrician (SBP)	26	1	1	1	1
	Plant Operator I/II+ (4 SBP)	23	6	7	7	7
	Plant Mechanic (SBP)	22	2	1	2	2
	Total Full-Time		10	10	11	11
3014	South Tempe Water Plant					
	Plant Team Leader	33	1	1	1	1
	Plant Electrician	26	1	1	1	1
	Plant Operator I/II+ (SBP)	23	5	5	5	5
	Utility Services Mechanic	22	2	2	1	1
	Plant Mechanic (SBP)	19	0	0	1	1
	Equipment Operator II	15	0	1	0	0
	Total Full-Time		9	10	9	9
3016	Field Facilities - Water					
	Plant Team Leader	33	1	0	0	0
	Total Full-Time		1	0	0	0
3021	Distribution System Services - Administration					
	Transmission and Collection Manager	42	1	1	1	1
	Total Full-Time		1	1	1	1
3022	Distribution System Maintenance					
	Utility Services Supervisor	33	2	1	1	1
	Utility Services Crew Chief	25	1	0	0	0
	CMMS Tech I/II+	23	2	0	0	0
	Underground Utilities Coordinator	22	1	0	0	0
	Senior Equipment Operator	20	2	0	0	0
	Senior Utility Services Worker	17	2	1	1	1
	Utility Services Tech I/II+ (SBP)	13	11	12	11	11
	Utility Services Worker I/II+	13	2	0	0	0
	Total Full-Time		23	14	13	13
3024	Irrigation					
	Water Systems Supervisor	33	0	1	1	1
	Water Systems Coordinator	24	0	1	1	1
	CMMS Tech I/II+	23	1	0	0	0
	Irrigator	5	6	7	7	7
	Total Full-Time		7	9	9	9



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3025	Technical Support Team					
	CMMS Tech II	23	0	4	4	4
	Underground Utilities Coordinator	22	0	2	2	2
	Engineering Tech II	22	0	2	2	2
	Administrative Assistant II	16	0	1	1	1
	Total Full-Time		0	9	9	9
3031	Wastewater Services - Administration					
	S.R.O.G Program Coordinator	39	1	1	1	1
	Total Full-Time		1	1	1	1
3033	Wastewater Utility Services					
	Utility Services Crew Chief	25	1	0	0	0
	Equipment Operator II	15	2	0	0	0
	Utility Services Tech I/II+ (SBP)	13	10	10	10	10
	Total Full-Time		13	10	10	10
3034	Kyrene Water Reclamation Plant					
	Reclamation Plant Supervisor	30	1	1	1	1
	Plant Operator I/II+	23	2	1	2	2
	Utility Services Mechanic	19	1	0	0	0
	Total Full-Time		4	2	3	3
3035	Field Facilities - Wastewater					
	Plant Team Leader	33	1	1	1	1
	Utility Services Mechanic	22	1	1	1	1
	Plant Mechanic+ (SBP)	22	1	2	2	2
	Total Full-Time		3	4	4	4
3041	Laboratory Services					
	Laboratory Manager	42	1	1	1	1
	Chemist I/II+	29	6	6	6	6
	Administrative Assistant II	16	0	1	1	1
	Laboratory Technician	14	1	1	1	1
	Total Full-Time		8	9	9	9
3051	Water Resources - Administration					
	Water Resource Manager	42	1	1	1	1
	Water Resources Hydrologist	38	1	1	1	1
	Water Quality Specialist	37	0	1	1	1
	Total Full-Time		2	3	3	3
3052	Water Conservation					
	Management Assistant II	35	1	1	0	0
	Water Conservation Coordinator	30	1	1	1	1
	Water Resources Technician	20	0	1	1	1
	Total Full-Time		2	3	2	2



Cost Center	Position	Range	1999-00 Actual	2000-01 Actual	2001-02 Budget	2002-03 Budget
3061	Technical Services - Administration					
	Utility Technical Services Manager	42	1	0	0	0
	Operations Analyst	31	1	0	0	0
	Total Full-Time		2	0	0	0
3062	Mapping					
	Engineering Technician I/II+	22	2	0	0	0
	Total Full-Time		2	0	0	0
3063	Control Systems					
	Instrumentation & Control Tech (SBP)	27	4	0	0	0
	Total Full-Time		4	0	0	0
	<b>Water Utilities Department Total Full-Time</b>		<b>111</b>	<b>144</b>	<b>144</b>	<b>144</b>
	<b>Water Utilities Department Total Perm FTE*</b>		<b>0</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
	<b>Water Utilities Department Total Temp FTE*</b>		<b>0.49</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>
	<b>Public Works Department Total Full-Time</b>		<b>513</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Public Works Department Total Perm FTE**</b>		<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	<b>Public Works Department Total Temp FTE*</b>		<b>10.17</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total Full-Time</b>		<b>1628</b>	<b>1661</b>	<b>1727</b>	<b>1734</b>
	<b>Grand Total Perm FTE**</b>		<b>28.75</b>	<b>27.65</b>	<b>39.65</b>	<b>40.65</b>
	<b>Grand Total Temp FTE*</b>		<b>188.27</b>	<b>186.98</b>	<b>173.08</b>	<b>173.08</b>

**\*\*Permanent Full-Time Equivalent    \*Temporary Full-Time Equivalent    ( ) Former Cost Center Number**





<b>Grant Funded Personnel (Included in preceding totals)</b>	<b>1999-00 Actual</b>	<b>2000-01 Actual</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
City Attorney				
Legal Services (Victim's Right Grant)	1	1	1	1
Development Services				
Redevelopment-CDBG	3	2	0	0
Section 8 Housing	12	12	0	0
Housing Services (CDBG and Section 8)	0	0	14	14
Total	15	14	14	14
Police				
Grant Funded	44	21	18	8
Total	44	21	18	8
<b>Grand Total</b>	<b>60</b>	<b>36</b>	<b>33</b>	<b>23</b>

<b>Personnel by Fund (Full-Time Only)</b>	<b>1999-00 Actual</b>	<b>2000-01 Actual</b>	<b>2001-02 Budget</b>	<b>2002-03 Budget</b>
General Fund	1,277	1,316	1,374	1,378
Special Revenue Funds				
HURF	63	60	62	62
Transit	18	23	29	32
Rio Salado	17	16	15	15
Performing Arts	0	3	3	3
CDBG/Section 8 Housing	15	14	14	14
Enterprise Funds				
Golf	22	22	23	23
Water/Wastewater	151	143	143	143
Sanitation	65	64	64	64
<b>Grand Total</b>	<b>1,628</b>	<b>1,661</b>	<b>1,727</b>	<b>1,734</b>



**Accrual Basis** - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Appropriation** - An authorization made by the City Council which permits the City to incur obligations to make expenditures for specific purposes.

**Assessed Valuation** - A value that is established for real and personal property for use as a basis for levying property taxes (Note: Property values are established by the County).

**Asset** - Resources owned or held by a government which have monetary value.

**Available (Undesignated) Fund Balance** - Refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

**Bond** - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used to finance capital projects.

**Bond Refinancing** - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

**Budget** - A plan of financial operation for a specified period of time (fiscal year). The Biennial Budget authorizes, and provides the basis for control of, financial operations during the fiscal year.

### **Capital Improvements Program**

**Budget** - A Capital Improvements Program (CIP) Budget is a separate budget from the operating budget. Items in the CIP are usually construction or renovation projects designed to improve the value of the government assets.

Examples of capital improvement projects include new roads, sewer lines, buildings, recreational facilities and large scale remodeling. The City Council receives a separate document that details the CIP costs for the upcoming fiscal year.

**Line-Item Budget** - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

**Operating Budget** - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

**Performance Budget** - A budget that focuses upon departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess the effectiveness and efficiency of services. Typical measures collected might include average emergency response time for fire or cost per man-hour of garbage collection.

**Program Budget** - A budget that focuses upon broad functions or activities of an agency or jurisdiction rather than upon its organizational budget units or object classes of expenditure. The City's programs: (1) General Services; (2) Development Services; (3) Public Safety; (4) Environmental Health; (5) Community Services; and (6) Public Transportation.

**Budget Adjustment** - A procedure to revise a budget appropriation either by City Council approval through the adoption of a supplemental appropriation ordinance for any interdepartmental or interfund adjustments or by City Manager authorization to adjust

appropriations within a departmental budget.

**Budget Calendar** - The schedule of key dates or milestones which the City follows in the preparation, adoption, and administration of the budget.

**Budget Document** - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

**Budget Group** - A fun group of hard working employees responsible for budget preparation, benchmarking, forecasting, and financial analysis.

**Budget Message** - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

**Budgetary Basis** - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, Modified Accrual or some type of statutory form budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that (a) encumbrances are considered to be an expenditure chargeable to appropriations, (b) no depreciation is budgeted for in enterprise funds, (c) investments in supply inventories and assets restricted for self-insurance purposes are not considered to be appropriable, (d) revenues accruing to sinking funds are not appropriable, and (e) contributions into sinking funds are budgeted, whereas disbursements from sinking funds are not budgeted. Unencumbered appropriations lapse at the close of the fiscal year.

**Budgetary Control** - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

**Capital Budget** - The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

**Capital Improvements** - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

**Capital Improvements Program** - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a period of several future years. Tempe's City Charter requires annual submission of a five-year capital program for City Council approval.

**Capital Outlay** - Expenditures which result in the acquisition of or addition to fixed assets.

**Cash Basis** - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Cost Center** - An organizational budget/operating unit within each City division or department, i.e., Radio Maintenance is a cost center within the Communications Division.

**Debt Management (Capacity) Plan** - The City's basis to evaluate upcoming and future debt financing in relation to the impact the borrowing will have on the City's debt ratios and relatedly the City's credit position as determined by the major rating agencies.

**Debt Ratios** - Ratios which provide measure of assessing debt load and ability to repay debt which play a part in the determination of credit ratings. They are also used to evaluate the City's debt position over time and against its own standards and policies. The four major debt ratios used by the City are (1) Debt Per Capita; (2) Debt to Full Value; (3) Debt to Personal Income; and (4) Debt Services to Revenues.

**Debt Service** - The amount of interest and principal that a City must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

**Direct Debt** - The sum of the total bonded debt and any unfunded debt (e.g. short-term notes) of the City for which the City has pledged its "full faith and credit." It does not include the debt of overlapping jurisdictions.

**Self-Supporting Debt** - Debt for which the City has pledged a repayment source separate from its general tax revenues (e.g. water bond repaid from water utility income/special assessment bonds).

**Outstanding Tax Supported Debt** - Direct debt minus self-supporting debt. Debt for which the City has pledged a repayment from its secondary property taxes.

**Overlapping Debt** - The City's proportionate share of the debt of other local governmental units which either overlap it or underlie it. The debt is generally apportioned based on relative assessed value.

**Overall Net Debt** - Net direct debt plus overlapping debt.

**Debt Service Fund Requirements** - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

**Deficit** - The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.

**Department** - A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.

**Depreciation** - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.

**Distinguished Budget Presentation Awards Program** - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

**Division** - A group of homogeneous cost centers within a department, i.e., all traffic engineering, traffic operations and transit cost centers make up the Transportation Division within the Public Works Department.

**Encumbrance** - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

**Estimated Revenue** - The amount of projected revenue to be collected during the fiscal year.

**Expenditure/Expense** - This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

**Fiscal Year** - The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Tempe has specified July 1 to June 30 as its fiscal year.

**Fixed Assets** - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

**Full Faith and Credit** - A pledge of a government's taxing power to repay debt obligations.

**Full-Time Equivalent (FTE)** - There are three types of classifications: (1) Full-time - works 40 hrs/week (full-time) and is benefitted; (2) Permanent FTE - works more than 19.5 hours

per week and less than 40 hrs/week, is not seasonal, is not of specific limited duration, and is not for educational training; and (3) Temporary FTE - works less than 40 hrs/week, is seasonal, and is of specific limited duration, or is for educational training.

**Fund** - A set of inter-related accounts to record revenues and expenditures associated with a specific purpose. Fund structure consists of Governmental Funds (e.g., General Fund, Special Revenue Fund, Debt Service Fund), Proprietary Funds, and Fiduciary Funds (See previous section on "Financial Structure and Operations" for complete description of funds).

### **Governmental Funds**

**Capital Projects Fund** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

**Debt Service Fund** - Debt Service Funds are set up to receive dedicated revenues used to make principal and interest payments on City debt. They are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment debt principal, interest and related costs, except the debt service accounted for in the Special Revenue Funds, and Enterprise Funds.

**General Fund** - The General Fund is the general operating fund of the City. It is used to account for all activities of the City not accounted for in some other fund.

**Special Revenue Fund** - Special Revenue Funds are set up as accounts for Federal or State grants legally restricted to expenditures for specific purposes. Our Special Revenue Funds include the Highway User Fund, the Local Transportation Assistance Fund, the Performing Arts Fund, the Community

Development Fund, and the Housing Assistance Fund.

### **Proprietary Funds**

**Enterprise Funds** - Enterprise Funds are used to account for operations including debt service (a) that are financed and operated in a manner similar to private businesses - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes. Our Enterprise Funds include the Water and Wastewater Fund, the Refuse Fund, and the Golf Course Fund.

### **Fiduciary Funds**

**Trust And Agency Funds** - Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Nonexpendable Pension Trust and Deferred Compensation Agency Fund. The Pension Trust Fund is accounted for in essentially the same manner as Proprietary Funds. The Deferred Compensation Agency Fund is custodial in nature (assets equal liabilities) and therefore, does not involve measurement of result of operations.

**Fund Balance** - The difference between revenues and expenditures. The beginning fund balance represents the residual funds brought forward from the previous year (ending balance).

**Generally Accepted Accounting Principles (GAAP)** - Uniform minimum standards for

financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

**General Governmental Revenue** - The revenues of a government other than those derived from and retained in an enterprise fund. General Governmental revenues include those from the General, Debt Service, and Special Revenue Funds.

**General Obligation Bonds** - Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from secondary property taxes, and these bonds are backed by the "full faith and credit" of the issuing government.

**Goal** - A long-term, attainable target for an organization—its vision of the future.

**Grant** - A contribution by the State or Federal government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

**Indirect Cost** - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned, such as administrative support, facility maintenance or custodial services.

**Intergovernmental Revenue** - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Interfund Transfer** - The movement of monies between funds of the same governmental entity.

**Internal Services Charges** - The charges to user departments for internal services provided by another government agency, such as data processing, equipment maintenance and communications.

**Levy** - To impose taxes for the support of government activities.

**Line-Item Budget** - A budget prepared along departmental lines that focuses on what is to be bought.

**Long-Term Debt** - Debt with a maturity of more than one year after the date of issuance.

**Maintenance of Effort** - A transfer of General Fund dollars to Transportation to fulfill the statutory requirement placed on cities to maintain the expenditure of local revenue for streets at a level computed as an average of local funds expended for any four of the FY 1981-82 through FY 1985-86. That obligation is calculated at \$1,850,705.

**Objective** - A specific measurable and observable result of an organization's activity which advances the organization toward its goal.

**Operating Expenses** - The cost for personnel, materials and equipment required for a department to function.

**Operating Revenue** - Funds that the government receives as income to pay for ongoing operations, including such items as taxes, user fees, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

**Pay-As-You-Go Financing** - A term used to describe a financial policy by which the capital program is financed from current revenues rather than through borrowing.

**Performance Budget** - A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

**Performance Indicators** - Specific quantitative and qualitative measure of work performed as an objective of the department.

**Personal Services** - Expenditures for salaries,

wages, and fringe benefits of a government's employees.

**Policy** - A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

**Prior Year Encumbrances** - Obligations from previous years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**Program Budget** - A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments. The City's program budget is divided into six major programs:

**(1) General Services** consist of: Mayor and Council; City Manager; City Clerk; Human Resources; City Attorney; Management Services; Public Works; and Other Programs.

**(2) Development Services** consist of: Development Services - Section 8 Housing; and Public Works – Design/Construction/Landscape maintenance.

**(3) Public Safety** consists of: City Court; Police; and Fire.

**(4) Environmental Health** consists of: Water Utilities; Public Works- Sanitation; and Development Services – Code Enforcement.

**(5) Community Services** consist of: Community Services – Recreation/Library/Social Services; and Public Works – Park Maintenance.

**(6) Transportation** consists of: Public Works – Transit/Street Maintenance.

**Property Tax** - A levy upon the assessed valuation of the property within the City of Tempe upon each \$100 of valuation. Property

taxes in Arizona consist of both primary and secondary levies.

**Primary Property Tax** - A statutory limited tax levy which may be imposed for any purpose.

**Secondary Property Tax** - An unlimited tax levy which may be used only to retire the principal and interest or redemption charges on bond indebtedness.

**Retained Earnings** - An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

**Revenue** - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

**Revenue Bonds** - Bonds usually sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

**Reserve** - An account used to indicate that a portion of a fund's assets are legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**Resolution** - A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

**Resources** - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

**Risk Management** - An organized attempt to protect a government's assets against accidental loss in the most economical method.

**Source of Revenue** - Revenues are classified according to their source or point of origin.

**Tax Levy** - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

**Taxes** - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

**Transfers In/Out** - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

**Unencumbered Balance** - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

**Unreserved Fund Balance** - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**User Charges** - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

**Workload Indicator** - A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).





<b>A</b>	
Annexation Progress .....	255
Assessed Valuation:	
Ten Year Historical Trends .....	74
<b>B</b>	
Bed Tax .....	117
Benchmarking, Performance .....	147
Bonded Debt Limits Summary .....	69
Budget Basis, Budgetary Units, and	
Changes to Budget .....	251
Budget Message .....	1
Budget Per Capita .....	66, 145
Budget Policies .....	12
Budget Process Flowchart .....	17
Budget Process Summary .....	18
Budget Resolution .....	242
Budget Schedules	
Estimated Revenues and Expenditures	
Summary .....	245
Tax Levy and Tax Rate Information .....	246
Revenues Other Than Property Taxes .....	247
Other Financing Sources and Interfund	
Transfers Summary .....	249
Expenditures Within Each Fund Summary .....	250
Building Safety Performance Budget .....	185
<b>C</b>	
Capital Improvements Program	
Capital Expenditures Policy .....	13
Fund Balances .....	61
Overview .....	45
Project Listing .....	48
Relationship Between Operating and	
Capital Budgets .....	62
Summary .....	60
Ten Year Historical Trends .....	74
Charges for Services	
Development Related .....	123
Recreation and Social Service .....	122
City Attorney Performance Budget .....	170
City Clerk Performance Budget .....	164
City Court Performance Budget .....	166
City Manager .....	150
Citywide Overview of Operating Budget,	
Debt Service, Revenues and Staffing .....	28
Community Development Block Grant	
Revenue .....	130
Community Profile .....	256
Community Relations Performance Budget .....	158
Community Services	
Performance Budget .....	206
Administration and Recreation .....	208
Library .....	210
Cultural Services .....	212
Social Services .....	214
Comparative Revenue by Source .....	112
Comprehensive Financial Plan	
Assumptions .....	84
Economic Outlook .....	88
Enterprise Funds .....	96
Financial Action Plan .....	104
General Fund .....	90
Methodology .....	83
Overview .....	80
Transit Fund .....	92
Transportation Funds .....	94
Rio Salado/Community Facilities	
District Funds .....	102
Customer Services Performance Budget .....	236
<b>D</b>	
Debt Policy .....	70
Debt Service Schedule .....	71
Debt Service Ten Year Historical Trends .....	74
Departmental, Per Capita Performance	
Budget .....	145
Departments, Performance Budget	
City Attorney .....	170
City Clerk .....	164
City Court .....	166
City Manager .....	150
Community Services .....	206
Development Services .....	178
Economic Development .....	156
Financial Services .....	172
Fire .....	198
Human Resources .....	168
Information Technology .....	176
Mayor and Council .....	148
Police .....	188
Public Works .....	216
Strategic Planning .....	162
Tempe Learning Center .....	160
Water Utilities .....	234
<b>E</b>	
Engineering Performance Budget .....	218



Enterprise Funds .....	39, 96
Revenues	
Golf Fees .....	133
Sanitation Fees .....	132
Unreserved Retained Earnings (10 Years).....	27
Water/Wastewater User Fees .....	131
Environmental Performance Budget .....	238
Equipment Management Performance Budget .....	228

## F

Field Services	
Street Maintenance .....	222
Facility Management .....	224
Parks & Golf Course Maintenance .....	226
Sanitation .....	220
Financial Action Plan .....	104
Financial Program .....	21
Financial Program Components .....	22, 23
Financial Program Summary .....	24
Financial Reporting Policies .....	14
Financial Services	
Administration, Financial Services and Tax and License .....	173
Performance Budget .....	172
Financial Structure and Organization	
Type of Budgeting .....	253
Level of Revenue and Expenditure Detail .....	253
Relationship Between Budgeting and Accounting .....	253
Fund Structure .....	254
Fines and Forfeitures .....	124
Fire	
Performance Budget .....	198
Administration/Fire Prevention .....	200
Emergency/Medical Services .....	201
Training/Professional Development .....	203
Special Operations .....	204
Support Services/Personnel Safety .....	205
Fund Balances, Unreserved	
General Fund .....	26
Highway User Revenue Fund .....	26
Local Transportation Assistance Fund .....	26
Fund Structure .....	254
Fund Summary .....	25

## G

General Fund	
Fund Balances, Unreserved (10 Years) .....	26
Comprehensive Financial Plan .....	90
Overview .....	29

General Governmental Revenues	
Charges for Services	
Development Related .....	123
Recreation and Social Services .....	122
City Property Tax .....	116
City Sales Tax .....	115
Fines and Forfeitures .....	124
Interest Earnings .....	125
Salt River Project In-Lieu Tax .....	118
State-Shared	
Income Tax .....	121
Sales Tax .....	119
Vehicle License Tax .....	120
Transient Lodging Tax .....	117
General Purpose Debt .....	71
Glossary of Terms .....	294
Golf Fund .....	42, 100
Comprehensive Financial Plan .....	100
Overview .....	42
Revenue .....	133

## H

Highway User Tax Fund (HURF) .....	35, 94
Fund Balances, Unreserved (10 Years) .....	26
Comprehensive Financial Plan .....	94
Overview .....	35
Revenue .....	128
Human Resources Performance Budget .....	168

## I

Impact of Budget on Citizens .....	76
Information Technology	
Performance Budget .....	176
Interest Earnings .....	125
Internal Audit Performance Budget .....	152

## L

Library Performance Budget .....	210
Local Sales Tax .....	115
Local Transportation Assistance Fund (LTAF)	
Fund Balances, Unreserved (10 Years) .....	129
Comprehensive Financial Plan .....	94
Overview .....	35
Revenue .....	129

## M

Maintenance of Effort .....	36
Mayor and Council Performance Budget .....	148
Mission Statement .....	iv



<b>N</b>	<b>R</b>
Needs Assessment Phase ..... 18	Recreation Performance Budget.....208
Neighborhood Program Performance Budget .... 153	Relationship Between Operating and Capital Budgets .....62
<b>O</b>	Reserve Policies ..... 14
Operating Budget Overview ..... 29	Retained Earnings, Unreserved
Operating Budget Policies ..... 13, 104	Golf Fund .....27
Operating Revenue..... 108	Sanitation Fund.....27
Organization Chart..... v	Water and Wastewater Fund.....27
<b>P</b>	Revenue(s)
Parks and Recreation Performance Budget.....208	By Source ..... 111
Per Capita Operating Expenditures	Charges for Service
by Program ..... 66	Development Related.....123
Per Capita Performance Budget..... 145	Recreation and Social Services .....122
Performance Benchmarking..... 147	City Property Tax .....116
Performance Budget Summary ..... 146	City Sales Tax.....115
Performance Budget, Departmental	Community Development Block Grant ..... 130
Per Capita ..... 145	Comparative Revenue by Source..... 112
Personnel	Fines and Forfeitures ..... 124
Schedules..... 261	Golf Course Fees ..... 133
Summary by Department..... 260	Highway User Tax.....128
Summary by Fund ..... 293	Interest Earnings..... 125
Ten Year History ..... 77	Local Transportation Assistance Fund ..... 129
Police	Performing Arts Fund ..... 127
Performance Budget..... 188	Salt River Project In-Lieu Tax.....118
Office of the Chief..... 190	Sanitation Fees.....132
Patrol ..... 192	Section 8 Housing Grant.....130
Support Services..... 194	State-Shared Income Tax.....121
Investigations ..... 196	State-Shared Sales Tax ..... 119
Program Budget	State-Shared Vehicle License Tax..... 120
At a Glance..... 65	Total Revenue..... 108
Department Summary..... 68	Transit Tax.....126
Fund Summary ..... 67	Transient Lodging Tax (Bed Tax) ..... 117
Per Capita ..... 66	Water/Wastewater User Fees..... 131
Property Tax	Rio Salado Performance Budget ..... 156
Levy and Rate..... 246	<b>S</b>
Ordinance ..... 243	Sales Tax, City ..... 115
Ten Year Historical Trends ..... 74	Salt River Project In-Lieu Tax ..... 118
Public Works	Sanitation Fund
Performance Budget..... 216	Comprehensive Financial Plan ..... 98
Administration and Engineering..... 218	Overview ..... 42
Field Services	Performance Budget ..... 220
Sanitation..... 220	Retained Earnings, Unreserved (10 Years)
Street Maintenance ..... 222	Revenue ..... 27, 132
Facility Management ..... 224	Schedule A ..... 245
Parks & Golf Course Maintenance ..... 226	Schedule B ..... 246
Equipment Management..... 228	Schedule C ..... 247
Transportation ..... 230	Schedule D ..... 249
	Schedule E..... 250



Section 8 Housing	
Overview .....	38
Revenue Trends.....	130
Social Services Performance Budget .....	214
Special Revenues	
Highway User Revenue Fund.....	128
Local Transportation Assistance Fund .....	129
Community Development Block Grant .....	130
Section 8 Housing Grant .....	130
Transit Tax .....	126
Performing Arts Tax.....	127
State-Shared Revenues	
Income Tax.....	121
Sales Tax .....	119
Vehicle License Tax.....	120
Strategic Issues: Goals and Strategy/Action Plan	
Cultural and Community Programs.....	144
Economic Development .....	143
Finance .....	143
Human Services and People Improvement	
Program.....	138
Neighborhood Enhancement and	
Public Safety .....	137
Rio Salado .....	139
Technology Advancement and Community	
Development.....	140
Transportation .....	141
Streets Performance Budget.....	222

## T

Transient Lodging Tax.....	117
Transit Fund	
Comprehensive Financial Plan .....	92
Overview .....	34
Performance Budget.....	230
Revenue.....	126
Transportation	
Comprehensive Financial Plan .....	94
Overview .....	35
Performance Budget .....	230
Revenue	
Highway User Tax .....	128
Local Transportation Assistance Fund.....	129
Transit Tax.....	126

## W

Water Utilities Performance Budget .....	234
Water/Wastewater Fund	
Comprehensive Financial Plan .....	96
Overview .....	39
Retained Earnings, Unreserved (10 Years) .....	27
Revenue .....	131



Even though the budget is heard by the Mayor and Council in March and April, its preparation begins months prior, with projections of City funding sources, remaining bond authorization, reserves, revenues, and expenditures. It continues through numerous phases and culminates with adoption in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the fiscal year. Each year, every effort is made to improve both the budget process and the usefulness of budget documents.

**Please see City of Tempe budget documents on the World Wide Web. We're at:**  
**[www.tempe.gov](http://www.tempe.gov)**

If you have any questions, call us at  
(480) 350-8350

Our mailing address is:  
City of Tempe  
Financial Services/Budget  
P.O. Box 5002  
Tempe, Arizona 85280

**Cecilia Velasco-Robles**  
Deputy Financial Services Manager

**Debbie Bair**  
Budget & Research Analyst

**Michelle Caruso**  
Budget & Research Analyst

**Travis Clark**  
Budget & Research Analyst

**Melanie Housh**  
Budget Intern

**Anita Erspamer**  
Executive Assistant

